

The Church Commissioners manage a £10.1bn investment fund in an ethical and responsible way.

The Church Commissioners, published its first annual Stewardship Report in 2021. The Report outlines the Commissioners' commitment to responsible investment and the adoption of the policy focussing on "Respect for People" and "Respect for the Planet"

**"Critical focus needs to be on real world impact. It's easy to adjust your carbon footprint via a few sales in your portfolio but selling shares does not make impact in the real world."**

*Tom Joy, CIO, Church Commissioners for England*

Read the full interview with Tom Joy on "finding alpha" [here](#)



## Approach

We hold a diversified portfolio of investments across a broad range of asset classes, consistent with our ethical guidelines.

We are committed to responsible investment. We think that taking account of environmental, social and governance issues in our investment decisions is an intrinsic part of being a good long-term investor.

We are also committed to engagement with the companies we invest in, and have an in-house team dedicated to this task.

The assets which make up our fund can be grouped under three broad categories.

## Equities

We hold investments in a variety of equities, both publicly listed and private.

Our public equity portfolio consists of companies listed on stock exchanges. Within our public equities are UK and global portfolios, as well as a defensive equity portfolio expected to generate good relative performance in weak markets and provide attractive returns over the long run.

Our private equity portfolio invests in unlisted companies, and has performed very well in the past few years.

## Property

We hold an extensive and diverse investment property portfolio, made up of historic assets and more recent acquisitions.

We are active managers of our estate, holding property across a variety of sectors and locations to ensure the best possible risk / return profile.

Our holdings include rural and strategic land, residential, commercial and indirect property.

Two of the largest holdings in our portfolio are the [Hyde Park Estate](#) in London, and our 10% stake in the [Metrocentre](#) in Gateshead.Â

## Alternatives

As part of our commitment to holding a diversified portfolio we have developed an alternatives portfolio, including multi-asset and credit strategies, timberland and infrastructure, which has grown considerably over the past ten years.

## Performance

Our investment objective is to achieve a total return of CPIH+4% per annum measured over the long term, to support the work and mission of the Church of England today and for future generations.

We have managed to match or exceed this objective over 1, 5, 10 and 30 years, and our investment performance continues to be recognised by industry awards. Over the last 30 years, the fund has achieved an average return of 9.9% every year.

Meeting or exceeding our performance objective over the long-term allows us to meet our pension obligations and to maintain or increase our support for the Church.

More detailed information on our performance can be found in our latest [annual report](#).

# Financial Performance ObjectivesÂ

## Manage the fund to ensure sustainable distributions for our beneficiaries

- Charitable distributions were Â£147.3m

## Achieve a total return of CPIH+4% per annum measured over the long term

- The overall return for the Commissioners' portfolio was 13.3%

## Manage risks appropriately

- Asset allocation as of 31 December 2021:

1. Public Equities 34.6%
2. Defensive Equities 8.1%
3. Absolute Return 8.7%
4. Private Equity 6.6%
5. Venture Capital 5.6%
6. Timberland 5.3%
7. Infrastructure 1.3%
8. Credit Strategies 4.2%
9. Commercial 2.7%
10. Residential 5.0%
11. Rural 5.8%
12. Strategic Land 2.9%
13. Indirect Property 1.1%
14. Cash And Cash-Like Assets\*8.1%

\*Includes 0.2% in portfolio hedges

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Close up of stocks and prices on screen

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[Engagement, screening and voting](#)

A group of people looking at a sunrise.

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[Responsible Investment](#)

A group of people looking at a sunrise.

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[Just transition](#)

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