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The Church Commissioners for England (the “Church Commissioners”), which manages a £10.1 billion endowment fund to provide long-term financial support for the mission and ministry of the Church of England, has raised £550 million, made up of a £250 million Sustainability Bond with a 10-year maturity and a £300 million conventional bond with a 30-year maturity.

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The bond issue by the Church Commissioners is similar to the strategy adopted by many other endowment funds. The money raised will be invested on a long-term basis, enhancing the fund’s capital efficiency and offering the potential to generate additional value for the fund. The proceeds will be invested according to the Church Commissioners’ responsible investment approach, with the proceeds of the Sustainability Bond used solely to support existing and future eligible sustainable projects, as set out in the Church Commissioners’ newly established Sustainable Financing Framework.

The transaction received strong support from a broad range of institutional investors, and the bonds will pay interest at a rate of 3.25% and 3.625% for the 10 year and 30 year bonds respectively. The bonds are rated Aa1 by Moody’s Investors Service (“Moody’s”), reflecting the Church Commissioners’ financial and governance strength.

Alan Smith, First Church Estates Commissioner and Chair of the Church Commissioners’ Assets Committee, said:

“We are very pleased with the positive response from investors to the Church Commissioners and our diversified investment portfolio, distinctive responsible investment approach and enduring mission to provide financial support for the Church of England.”

Gareth Mostyn, the Church Commissioners’ chief executive, said:

“This successful bond issue is good news for our ability to continue to fulfil our objective to maintain and grow the Church Commissioners’ support for the Church of England’s mission and ministry over the long term. We are pleased to welcome new stakeholders in support of our activities and thank them for their investment.”

Tom Joy, chief investment officer, added:

“We turned to the bond market because of the attractive funding terms available for institutions like ourselves with long-term investment horizons. Our investment decisions are made on a responsible and ethical basis, and we will invest the proceeds in the same manner, consistent with our investment policy.”

The Right Reverend Dr David Walker, Bishop of Manchester, vice chair of the Church Commissioners’ Board, added:

“In the Parable of the Talents, Jesus commended enterprise and investment. Following his guidance, the Church Commissioners seeks to be a responsible long-term steward of the Church’s endowment, using the returns to support the mission of the Church of England throughout the country, especially in areas of particular need. Our decision to raise funding from the bond market has been taken to help us to further that mission.”

Please click [here](#) or see below for a video about the Church Commissioners and its plan for the bond proceeds.

Notes to editors

The Church Commissioners is both a major financial institution (with responsibility for an endowment fund valued at £10.1 billion as at 31 December 2021) and an administrative body with regulatory and quasi-judicial duties. It works to support the Church of England's ministry today and for all future generations, particularly in areas of need and opportunity. It does this through responsible and ethical management of a diverse investment portfolio which enables it to maintain and grow its funding support for the Church of England, by helping to ensure the fund is used effectively for mission in the service of God, and by embracing principles of accountability and service in all that it does. Successful delivery of this purpose is underpinned by investment in a team of high calibre trustees, committee members and staff, and a commitment to their wellbeing and inclusion. The Church Commissioners' investment fund has delivered a return of 10.7% per annum over the past 10 years and 9.9% over 30 years to the end of 2021.

Strong investment returns over previous years have enabled the Church Commissioners to increase its funding for the Church of England's mission and ministry in the 2023-2025 triennium to an all-time high. The Church Commissioners will contribute £1.2 billion over that three-year period, which will account for about 20% of the Church of England's total expenditure.

Bank of America, J.P. Morgan and Morgan Stanley acted as joint bookrunners on the bond issue with Bank of America leading on documentation, J.P. Morgan acting as credit ratings adviser and Morgan Stanley acting as sustainability structuring bank and leading on billing and delivery. The Church Commissioners were advised by Clifford Chance (legal advice) and Rothschild & Co (financial advice) and the joint bookrunners by Linklaters (legal advice).

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