

Our Investments

Our investments ensure that we can continue to support our charitable objects, which are promoting health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales into the future.

We believe in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

Why we invest

We wish to maximise our investment opportunity, in line with Trustee responsibilities, to enable the Trust's financial sustainability and independence. We aim to invest in companies where their activities, corporate strategies and/or products are aligned with our own aims and values.

How we invest

- We invest to support the Trust's charitable objects without compromising the Trust's on-going grant commitments and its working capital requirements
- We have a diversified portfolio across different asset classes, places and using diversified investment managers
- We invest via pooled funds
- We work with independent treasury advisers who provide advice and support to our Finance, Audit and Operations Committee, who in turn advise the Board
- Our Finance, Audit and Operations Committee includes experienced investment and finance members

Investment principles

Risk Management

- We will not make any investments where the risk of loss of capital is unacceptable.
- We will only make cash deposits in a UK-based mainstream banking institution which has an acceptable credit rating. We will usually only invest in counterparties with a minimum rating of BBB+/ BAA1 or above.
- We will invest through pooled funds rather than direct investment.
- We will not normally hold bank deposits with a notice period over 35 days.
- We will not normally hold investments that represent more than 35% of the Trust's cash investments.
- We will make all investments in sterling.

Sustainable investing

Diversity, Equity and Inclusion and Climate Action are key parts of the Trust's 2022-2025 strategy.

- As an equalities charity, we are a proud and active anti-racist and anti-oppression organisation. We commit to actively working to challenge and avoid the harm caused through all forms of discrimination, stigma and oppression for the communities we fund, our staff, our volunteers, our trustees and any partners we work with.
- We signed the [Funder Commitment on Climate Change](#) in 2023, committing to steward our investments for a post-carbon future. We recognise climate change as a risk to our investments, and therefore to our mission.

We recognise that there are difficulties in setting thresholds for contentious activities within the context of pooled funds and we aim to limit our exposure to the following areas:

- environmental damage;
- manufacture or sale of armaments;
- institutional violations of human rights, including the exploitation of the work force;
- discriminatory practices;
- the manufacture of tobacco products;
- the sale of tobacco products (where the investment is in companies that derive more than 10% of their revenue from selling tobacco products);
- the manufacture of cosmetic products that are tested on animals;
- high interest rate lending (where the investment is in companies that derive more than 10% of their revenue such products);

We also ask our fund managers to actively consider the following areas (this list should not be considered as exhaustive):

- Promotion of sustainability, good business ethics and good employment practices: fair pay and working conditions, support for the Living Wage, diversity in management and absence of wide pay disparities within companies.
- Protection of the global environment, its climate and its biodiversity: investing in companies that contribute to sustainable development goals, including affordable and clean energy, and climate action

When appointing fund managers we will expect them to conform with our values and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken.

We will regularly review our approach and progress in order to develop the appropriate policies with regard to collective engagement strategies, direct engagement activities through our fund managers, divestment and exclusions.