



Gareth Mostyn
Chief Executive

Chichester Diocesan Synod
c/o Diocesan Church House
211 New Church Road
Hove
BN3 4ED

Wednesday 26th April 2023

Sent via email

Dear Chichester Diocesan Synod,

Thank you very much for inviting me to join your Synod on 20th May in Horsham.

As I will only have a few minutes to speak, I am sending some documents that you may find of interest. These are three fact sheets about how the Church Commissioners generate and distribute funding to support the mission and ministry of the Church of England, and a short briefing paper about our research into historic links to transatlantic chattel slavery, together with some frequently asked questions.

I look forward to meeting you on Saturday 20th May.

Yours in Christ,

A handwritten signature in blue ink, appearing to read 'Gareth Mostyn'.

Gareth Mostyn

Copied to:

The Right Revd Dr Martin Warner, Bishop of Chichester.
Gabrielle Higgins, Diocesan Secretary – Diocese of Chichester.

HOW WE INVEST



We have delivered an **average return of 9.9%** per year over the last 30 years.

These returns on our investments **pay for around**

1/6

of the total annual running costs of the Church of England.

Excellent returns

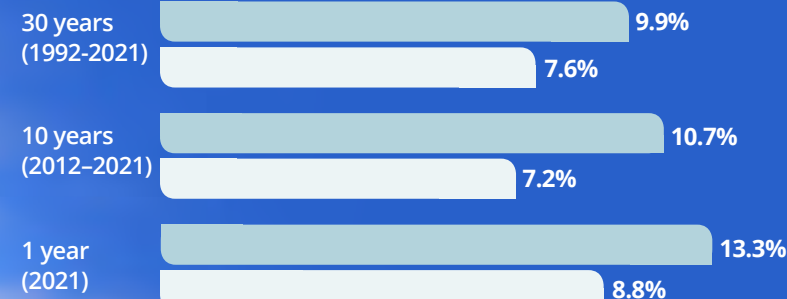
We look after a **diverse portfolio in order to minimise risk and maximise returns**. The **excellent long-term performance** of our fund is the key to long-term sustainable funding for the Church's ministry.

We manage a **£10.1bn** endowment fund in an ethical and responsible way to **support the mission of the Church of England**.

Effective stewardship

Our focus as a **Responsible Investor** is built on two pillars: **Respect for People** and **Respect for the Planet**. Determined action on climate change underpins our approach to a **net-zero portfolio by 2050**.

OUR LONG-TERM RETURNS CONSISTENTLY OUTPERFORM OUR TARGET



Note: Target return was RPI+5% per annum to end 2018, CPIH+4% thereafter

ANNUAL AVERAGE RETURN
■ Church Commissioners
■ Target



Excellent returns

Our fund:

- is well diversified to manage risk
- invests in public and private markets
- invests across assets like property, forestry, farmland and infrastructure
- holds a cash balance to ensure we can meet our distributions to support the Church

Strong performance: our successful active management has achieved an average return of 9.9% per year over the past 30 years.

Excellent track record: we have repeatedly exceeded our target return.



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

*Includes 0.2% in portfolio hedges



More details on our fund and activities can be found in our annual report.

The two pillars of our RI policy highlight our Christian values and beliefs:



RESPECT FOR THE PLANET



RESPECT FOR PEOPLE

These environmental and social pillars are underpinned by our focus on strong governance practices at companies in which we invest and in our own [governance structures](#).

We are:

- signatories to the UN-backed [Principles for Responsible Investments](#) and the [Paris Agreement](#).
- included in the Principles for Responsible Investment (PRI) Leaders' Group in 2019 and 2020).
- winners of the [IPE's \(Investment & Pensions Europe\) Award for Best in Impact Investing 2020 and 2021](#).

Effective stewardship

We are an active investor committed to being at the forefront of responsible investment (RI) globally. This means that environmental, social and governance (ESG) issues are an intrinsic part of how we invest, for both ethical and financial reasons.

Our approach to investments aligns with the [Five Marks of Mission](#) and is shaped by ethical policies created following advice from the Church of England's [Ethical Investment Advisory Group \(EIAG\)](#).



You can find more details in our [Stewardship Report](#)



Climate change: our timeline to net zero

We are committed to a net-zero investment portfolio no later than 2050.



General Synod debate on climate change: we reaffirmed our promise to engage urgently with fossil fuel companies with poor TPI ratings and to divest if necessary.



We will divest from fossil fuel companies that are not aligned with the goals of the Paris Agreement to restrict the global average temperature rise to well below 2°C.



General Synod's target date for a net-zero carbon emissions Church includes our day-to-day operational activities.

To help achieve our net-zero goal, we are members of the UN-convened Net Zero Asset Owner Alliance, a group of 42 institutional investors, representing \$6.6 trillion.

2017

2018

2020

2023

2025

2030

2050

We co-founded the Transition Pathway Initiative (TPI), a tool for investors to assess companies' readiness to transition to net zero. TPI includes more than 105 investors globally, representing \$26 trillion and forms a core part of our climate strategy.



We announced divestment from nine fossil fuel companies that did not pass our TPI-based climate change hurdles. Twelve companies improved because of our engagement.



Our carbon reduction target is -25% by 2025, based on a 2019 baseline.



Our investment portfolio will be net zero no later than 2050. We will achieve this by using our influence as a global investor to effect real change in the economy.



Active Ownership: ESG, engagement and voting

Environmental, Social and Governance (ESG) integration underpins our investment processes across all asset classes.

- We talk to company executives and board members to influence change to a company's ESG practices.
- We work together with other like-minded investors, including other Church of England investing bodies (CofE Pensions Board and CCLA) and have a joint voting policy with the [Church Investors Group](#). Information on our voting record is available in the [Stewardship Report](#) and in our '[Engagement, Screening and Voting Reports](#)'.
- We may divest from any company in any sector because of ESG reasons if, after sustained dialogue, they do not respond to our concerns.

Advocacy and collaboration

In 2020, around half of our engagement interventions were part of a collaborative effort. This included collective public policy initiatives on topics such as:

- ensuring fairness in governments' Covid-19 recovery plans.
- environmental and climate change issues.
- directors' accountability for the treatment of their employees.

One example of this is our work as part of the [PRI Leaders group](#), which has over 3,000 signatories representing more than \$100 trillion assets under management.

Ethical and environmental exclusions

We restrict investments in companies involved in certain sectors. More information on our exclusions is in our [Stewardship Report](#).

We also restrict investment in companies involved in the extraction of thermal coal and production of oil from oil sands and carbon intensive companies who fail to meet our standards on climate change restriction criteria.



Impact investment and monitoring

We are committed to ensuring that our investments lead to positive outcomes:

- As at the end of 2020, we have more than £1 billion invested in environmental and social solutions.
- We helped establish and will distribute £16 million to the Archbishops' Council's [impact first](#) portfolio.



[Read more about the real-world impact of our impact investments in our White Paper.](#)

Our [Impact Investment Framework](#) adheres to the guidelines of the UK's Impact Management Project.



FUNDING FOR THE CHURCH



The Church Commissioners for England intend to distribute

£1.2bn

between 2023 and 2025.

These funding distributions will account for approximately

20%

of Church funding.

In 2022, we announced that our funding for the next triennium (2023-2025) will increase by

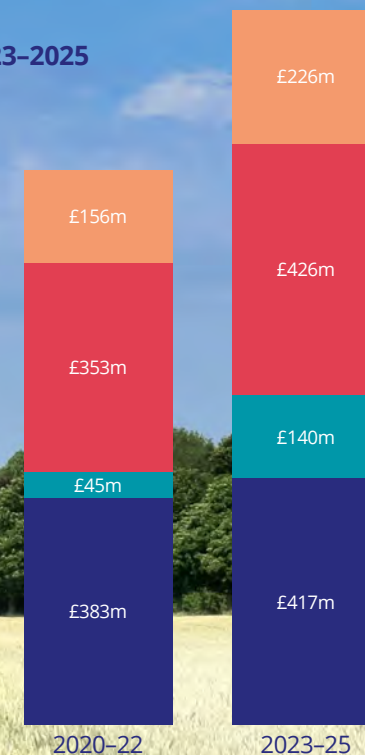
30%

– helping to revitalise our parishes and worshipping communities, and to support and develop ministry, especially with young people and disadvantaged communities.

The Church Commissioners hope to be able to maintain this level of funding over the next six years, subject to investment performance and market fluctuations, which would help the Church to plan for the medium and long term.

Increased funding distributions for 2023–2025

- Strategic (ongoing)
- Core
- Transformational (time-limited)
- Historical (including Pensions)



How the funding is allocated

We fund a range of expenditure, including significant statutory commitments such as pensions, which we are legally required to provide. We also provide other discretionary funding streams as recommended by the Triennium Funding Working Group.



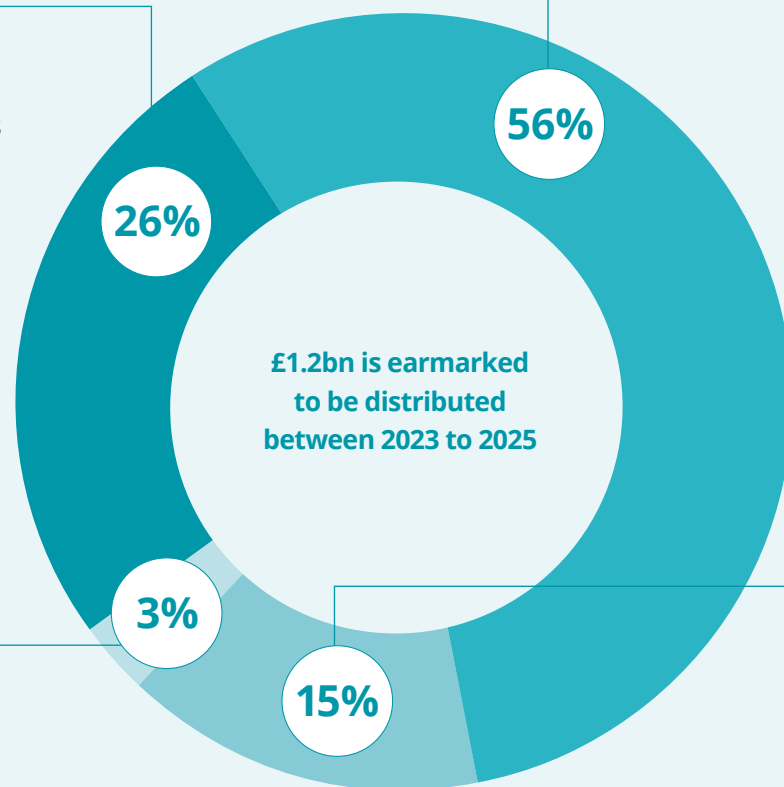
Strategic: £226m (26% of fund value)

Strategic (previously “Additional”) funding covers targeted programmes, for example supporting growth in interventions to address racial justice and other social justice and diversity matters.



Time-limited: £140m (3% of fund value)

Time-limited expenditure is focused on transformational initiatives which are planned for a short- to medium-term time frame. A key example is enabling progress towards the carbon net zero goal of 2030 as set by the General Synod.



Core: £426m (56% of fund value)

Core funding includes elements of expenditure that are considered of fundamental importance to support the mission and ministry of the Church, for example funding for communities with fewer resources, and statutory funding responsibilities of the Church Commissioners, such as bishops and cathedral funding.



Historical (including pensions): £417m (15% of fund value)

We have a statutory responsibility to fund clergy pensions for service before 1998. These pension obligations have to be a priority commitment for the fund, and inform how much is available for the other funding categories. About 15% of our fund is estimated to be spent over the coming decades to meet our pension obligations and address other historic matters.



More information on [how we invest](#), what we fund and how we are governed can be found in our [Annual Report](#).



More information on our approach to [Responsible Investment](#) can be found in our [Stewardship Report](#).



Supporting mission and ministry

In line with the Church's Vision and Strategy for the 2020s, funding from the Church Commissioners will be used to support mission and ministry in parish churches and other worshipping communities. In addition to continuing to fulfil our statutory responsibilities (including meeting our pensions obligations and supporting specific areas of the work of bishops and cathedrals), this will include:

- Continued funding for the Church in the poorest parts of the country, taking into account lessons from the recent independent review into Strategic Development (SDF) and Lowest Income Communities (LiNC) funding.
- Increasing the number of clergy in front-line ministry in parishes and chaplaincies, with the intent that the Church's clergy better reflects the diversity of the nation that we serve.

In addition, the Church will lead by example in areas that are important not only to the Church but to wider society. It will:

- Enable thriving local churches across the country, making significant contributions to their local communities and delivering even more social action work.
- Support diocesan, parish and cathedral plans for the Church to become carbon net-zero by 2030 – a target set by General Synod.
- Fund measures that will help the Church to become more diverse.



CASE STUDY



St John the Evangelist Church in Balby, Doncaster, Diocese of Sheffield

What was once a regular food bank at St John the Evangelist in Balby developed during the lockdowns into a "multi-bank" open four days a week, providing everything from fresh fruit and veg to clothing, towels, bedding, toiletries, pots and pans and much more, all shared from the community.

The parish also runs a free coffee shop and drop-in centre as part of its outreach.

These social action projects operate under the banner "Given Freely, Freely Given." The services are provided under an honesty approach aimed at reducing barriers to people most in need.

The parish has benefited from Lowest Income Communities through the Church of England.



Maximising the support we can give on a sustainable basis

We support the mission of the Church of England through ethical and responsible management of the Church's historic endowment fund. Our ability to provide funding on a sustainable basis today and for future generations is made possible only through the returns on our investments.

1

We set our charitable distributions at the maximum level that we believe is sustainable. This helps to mitigate significant fluctuations in market performance or other economic factors.

2

To determine the maximum amount of funding we can provide sustainably, we are advised by independent actuaries. They analyse the fund and distributions, considering:

1. **Economic assumptions** – such as projected inflation rates and economic growth rates.
2. **Asset value & returns** – how much money we can realistically expect to make on our investments over the long-term.
3. **Funding commitments** – existing commitments and their proposed time-frame.
4. **Life expectancy** – for pension obligations.

Even a small change in any of these factors can have a big impact on the financial support we can provide for the Church.

3

Assets committee

The Church Commissioners' Assets Committee, informed by the independent actuaries, determines the maximum sustainable level of funding available for the Church.

4

Triennium funding working group (TFWG)

Makes recommendations to the Archbishops' Council and Church Commissioners on the prioritisation and allocation of the funding.

5

The Church Commissioners' Board and Archbishops' Council approve the respective funding streams, informed by the TFWG.

6

Funding is distributed to the Church by the Church Commissioners and Archbishops' Council via the following funding categories:

1. **Historical (including Pensions)**
2. **Transformational (time-limited)**
3. **Core**
4. **Strategic (ongoing)**

We undertake interim annual updates and more detailed calculations every three years. In this way, we can provide a good deal of notice if there is a significant risk to future funding levels. We aim to give at least one triennium's notice of any change in planned funding.



Church Commissioners supporting the Church of England

THE IMPACT OF OUR FUNDING



The funding provided by the **Church Commissioners** and distributed via the **Archbishops' Council** has a transformative impact, touching lives within and outside of the Church, supporting both ongoing ministry and one-off projects, in rural and urban areas throughout England.

Please see '**Funding for the Church**' for more information on what we fund and how we determine the maximum amount of funding we can provide sustainably.

Please see '**How we invest**' for more information on how we manage the fund.

The long-term performance of the Church's endowment fund enables long-term sustainable financial support for the Church's ministry. This funding provides around 1/6 of the total annual running costs of the Church of England.

Funding for frontline ministry



The Archbishops' Council used part of the Additional Distributions made available in the 2020-22 triennium to **grow ordained vocations**. The increase in stipendiary clergy was one of the ambitions of **Renewal and Reform** and will help reverse a previous decline in numbers. The support is proportionately higher for those dioceses that need it most.

The Ministry Experience Scheme (MES) is one of the ways in which the Church encourages vocations among younger people. This one-year scheme offers young people from a wide variety of backgrounds the opportunity to discover their calling, combining work in parish ministry with theological studies. The majority of the MES participants go on placements in low-income parishes, focusing energy and resources in the areas of greatest need. More than 100 participants out of a total of 500 (since 2013) went on to train for ordained ministry, and 75% of all participants said they would embark on further discernment and training in ministry.

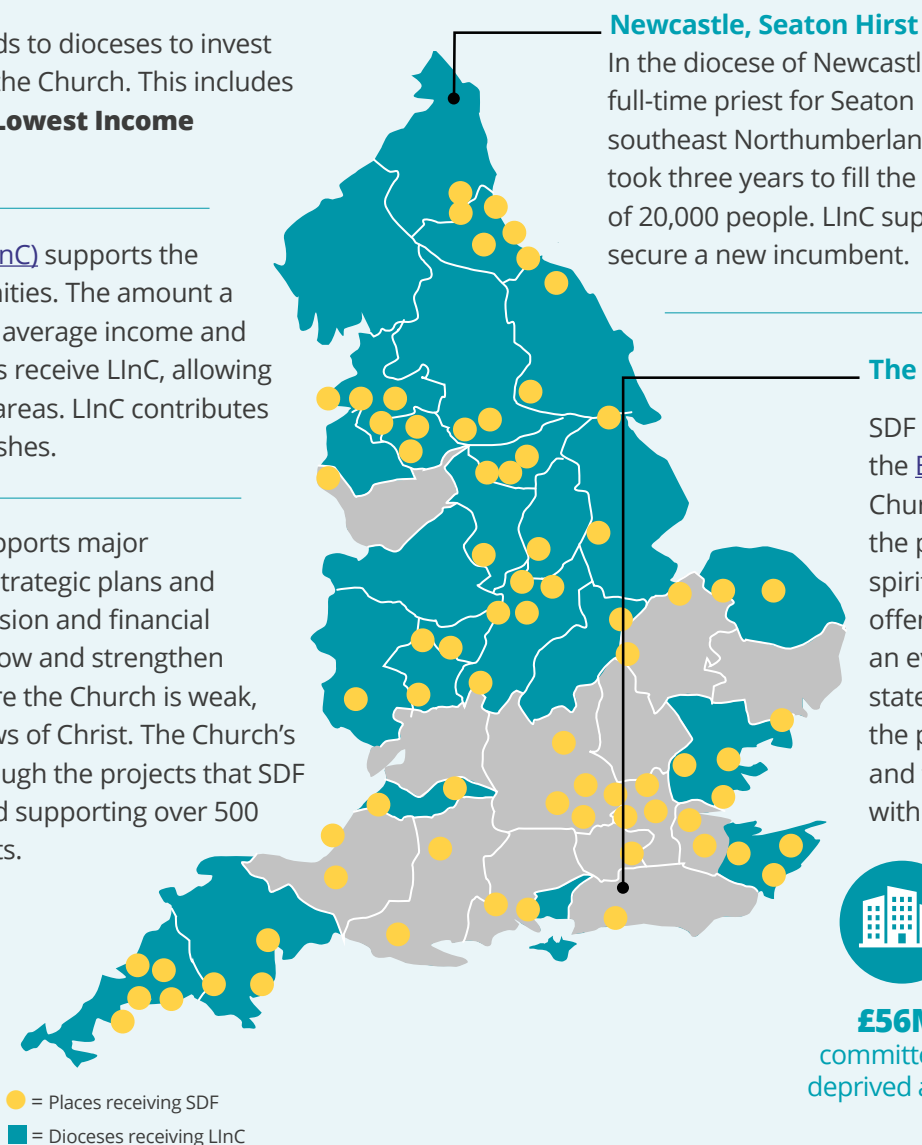


Funding mission and growth

The Archbishops' Council distributes funds to dioceses to invest in the spiritual and numerical growth of the Church. This includes **Strategic Development Funding** and **Lowest Income Communities Funding**.

[Lowest Income Communities Funding \(LInC\)](#) supports the Church's mission in the poorest communities. The amount a diocese receives depends upon the local average income and population. More than half of all dioceses receive LInC, allowing them to focus their ministry in deprived areas. LInC contributes towards the costs of priests in 1,700 parishes.

[Strategic Development Funding \(SDF\)](#) supports major change projects which fit with dioceses' strategic plans and make a significant difference to their mission and financial strength. The key purpose of SDF is to grow and strengthen worshipping communities in places where the Church is weak, enabling churches to share the good news of Christ. The Church's social action has been strengthened through the projects that SDF supports, bringing thousands to faith and supporting over 500 additional ordained and lay ministry posts.



£56M
committed to
deprived areas¹



£63M
committed to
children and youth



£19M
committed to
rural areas

¹ Figures for SDF only. Source: SIB annual report 2020





Digital: a growing church for all people in all places

The Church of England seeks to be a Church for all people in all places, reaching people where they are, both in the real world and online. We fund the award-winning [Digital Team](#) that creates [resources](#) for use by local churches to help reach a diverse audience, including less regular churchgoers. The team provides step-by-step guides and webinars, material that can be customised by local churches and downloaded for free, alongside ready-to-use print materials, all of which contributed to successful Christmas and Lent campaigns in recent years. Purpose-built ([smart speaker](#)) apps and podcasts, including [Time to Pray](#) and [Daily Prayer](#), have enabled millions of people to ask the Church for prayers and information about the Christian faith. Weekly online services, launched in 2020, now have a regular community joining each Sunday.

Giving and generosity

We support the local church by providing funding via the Archbishops' Council for a range of tools to promote [giving and generosity](#). By 2024, [more than 2,000 churches](#) across the country will receive a free contactless giving device. Each of these churches will be offered one-to-one training, as well as follow-up support and resources from both national and diocesan giving teams. Churches receiving a device in the successful pilot projects have been encouraged to set up online giving, with many finding creative ways to use QR codes to encourage people to give. These churches have raised a total of over £150,000 in the first year of the pilot through a combination of contactless and online giving.



In 2021

- The Church's Advent and Christmas campaign was seen more than **27 million** times on social media.
- [AChurchNearYou](#), our local church-finder website, received more than **77 million** views.
- The Daily Prayer podcast was downloaded more than **2.5 million** times.



Bishops and archbishops

The Church Commissioners enable the ministry of diocesan bishops and archbishops by funding their stipends, housing ('See Houses'), office and working costs. Bishops have discretion to use their funding towards their episcopal duties according to the needs of their diocese.

Our funding towards sustainability projects at See Houses plays an important part in the Church's route to net zero.



After a successful pilot, sustainability surveys are being rolled out across all See Houses, to enable us to make them more energy efficient.



Eleven See Houses had EV charging points installed, with more to follow.

Cathedrals

We provide funding for [cathedrals](#). It is our legal responsibility to fund the cost of the dean and two canons in every cathedral.² We also make discretionary grants to cathedrals with the lowest incomes, which contribute towards the stipends of other clergy and the salaries of lay staff.

² Except Oxford, the Isle of Man and the Diocese of Europe



The Cathedrals Sustainability Fund

We provide grants through the Cathedrals Sustainability Fund (CSF), which was established in 2017. So far, more than £10 million has been awarded via the CSF to provide seed funding to cathedrals for activities that promote financial sustainability.

CSF support includes:

- Increasing cathedrals' income streams by supporting fundraising, commercial management and digital marketing.
- Providing support to offset the worst financial impact of Covid-19 – for example, to help retain highly skilled heritage staff and support members of the professional cathedral choirs.

Growing donations

Gloucester Cathedral used its CSF grant to develop an 'entry by donation' model. Visitor Services staff improved the welcome for all visitors and increased the Cathedral's income at the same time. Donations grew by 182% in the first year of the project. Despite the impact of Covid-19, the average donation per visitor has risen from 51p to £1.37. The aim is to grow visitor donations from £126,000 a year to over £656,000 by the end of year five.





CHURCH COMMISSIONERS RESEARCH INTO HISTORIC LINKS TO TRANSATLANTIC CHATTEL SLAVERY

BACKGROUND

In 2019, the Church Commissioners became more conscious of the fact that the transatlantic slave economy played a significant role in shaping the economy, society and Church we have today. The trade in enslaved African people was responsible for inflicting much pain and misery on people of African descent in particular, as well as other groups around the world who have experienced deep injustices. It contributed to the racial injustice we experience today in our society and, regrettably, in our Church. Churches and societies with such inequity and divisions do not flourish. The Church Commissioners recognised that the past is still present and that it needed to support this mission of the Church by seeking to understand this history and work towards the healing and reconciliation of these various divides.

The Church Commissioners has as one of its core responsibilities the stewardship of the Church of England's perpetual endowment fund, which has part of its origins in Queen Anne's Bounty, founded in 1704. Distributions from the endowment fund support the Church of England's mission and ministry now, and in perpetuity. The Church Commissioners decided to embark on a journey of understanding with an investigation into the extent to which the origins of the Church's endowment fund may have been linked to the transatlantic slave economy and the consequences of this linkage for the Church Commissioners today.

Early research carried out found that Queen Anne's Bounty invested heavily in several assets that were linked to the South Sea Company. The establishment of Queen Anne's Bounty and its investments in the South Sea Company in the early 18th century was coincident with the rapid expansion of transatlantic chattel slavery. To undertake more detailed research in order to understand the extent to which the origins of the endowment fund may have been linked to transatlantic chattel slavery, the Church Commissioners commissioned Grant Thornton UK LLP to undertake a unique forensic accounting assignment to review the source of assets that formed Queen Anne's Bounty.



CHURCH COMMISSIONERS RESEARCH INTO HISTORIC LINKS TO TRANSATLANTIC CHATTEL SLAVERY

QUEEN ANNE'S BOUNTY AND ITS LINKS WITH TRANSATLANTIC CHATTEL SLAVERY

There were two main ways that Queen Anne's Bounty was linked with transatlantic chattel slavery:

- significant investment in the South Sea Company, and
- benefactions received from individuals whose income may have been derived from slavery.

South Sea Company

The South Sea Company was founded in 1711 to refinance England's national debt. In exchange, it was awarded the monopoly on Britain's trade of enslaved people to the Spanish Americas. The South Sea Company became a significant participant in transatlantic slavery through major expansion in the slavery business during the early 18th century. Between 1714 and 1739, this was its main commercial activity. Over the course of at least 96 transatlantic voyages during this period, the South Sea Company purchased and transported human beings as chattel property; 34,000 enslaved people in crowded, unsanitary, unsafe and inhumane conditions. It also transported enslaved people from Caribbean islands to Spanish-held ports in mainland America. Investors in the South Sea Company would have known that it was trading in enslaved people. Although the company ceased trading in enslaved people in 1739, it continued to exist as an active company until 1853.

From 1723 to 1777, Queen Anne's Bounty's funds that were not used to purchase land to augment clergy income or pay for its running costs were invested almost exclusively in South Sea Company Annuities. At the time that the South Sea Company ceased its activities trading in enslaved people in 1739, Queen Anne's Bounty had accumulated investments in South Sea Company Annuities with a value of around £204,000 (money of the day in 1739), which may be equivalent to about £443million in today's terms. Investment in South Sea Company Annuities peaked in 1777 and from 1777 to 1831 the fund gradually reduced and eventually exited its holding of these annuities.



CHURCH COMMISSIONERS RESEARCH INTO HISTORIC LINKS TO TRANSATLANTIC CHATTEL SLAVERY

Although the research shows that Queen Anne's Bounty did not benefit from any capital appreciation on the South Sea Company Annuities over the period it held these investments, for the period that Queen Anne's Bounty's ledgers are available (1708–1793), about 30% of the income was derived from interest and dividends from its South Sea Company investments. This income helped Queen Anne's Bounty fulfil its purpose of supplementing the income of poorer clergy, and was likely reinvested, contributing to the overall accumulation of Queen Anne's Bounty's wealth.

Benefactions

Benefactions made up a portion of the Queen Anne's Bounty income (around 14% of all income from 1708 to 1793). Many of the individual benefactors were, or may have been, linked to transatlantic chattel slavery (for example, Edward Colston was a benefactor) and so to some extent their benefactions may have been derived from the profits of transatlantic slavery or the plantation economy.

Queen Anne's Bounty used money from benefactions to purchase land and property. A sample of benefactions was analysed to attempt to trace whether the land is still held in the Church Commissioners' property portfolio. Based on this sample tracing exercise, it appears likely that most if not all of the traced land is not part of the Church Commissioners' property portfolio today (although it may still be owned by other parts of the Church of England). Some proceeds from land sold by Queen Anne's Bounty in the 18th century appear to have been re-invested at the time, effectively perpetuating the legacy of the benefactions in the continued growth of the fund. Hence, when the Queen Anne's Bounty merged with the Ecclesiastical Commissioners in 1948, the legacies and proceeds of these land sales would have been subsumed into the new Church Commissioners entity.



CHURCH COMMISSIONERS RESEARCH INTO HISTORIC LINKS TO TRANSATLANTIC CHATTEL SLAVERY

CHURCH COMMISSIONERS' RESPONSE

By undertaking this work, the Church Commissioners aims to be transparent about its history and historical investments. It will use the knowledge resulting from the research to ensure it continues to be at the forefront of responsible investment globally. One of the key principles of our responsible investment approach is 'Respect for People'.

Every human being is made in the image of God, and Jesus teaches us that he came so that we all may have life in all its fullness. Chattel slavery, where people made in the image of God have had their freedom taken away to be owned and exploited for profit was, and continues to be, a shameful and horrific sin.

The Church Commissioners has considered how it should respond, including a long-term commitment to action on racial justice within the remit of the Church Commissioners. The Church Commissioners has made a funding commitment of £100 million over the next nine years to invest in a better future for all, working with and for communities affected by historic transatlantic slavery, with the intention that it creates a lasting legacy.

The specific commitments relating to this response from the Commissioners are as follows:

- A new **Oversight Group** will be formed during 2023 with significant membership from communities impacted by historic slavery. This group will work with the Church Commissioners on shaping and delivering the overall response, listening widely to ensure this work is done sensitively and with accountability.
- Establishing a new impact investment **fund** to invest for a better and fairer future, in particular for communities affected by historic slavery. It is hoped this fund will grow over time, reinvesting returns to enable it to have a positive legacy that will exist in perpetuity, and with the potential for other institutions to participate, further enabling growth in the size and impact of the fund.



CHURCH COMMISSIONERS RESEARCH INTO HISTORIC LINKS TO TRANSATLANTIC CHATTEL SLAVERY

- Growth in the impact fund will also enable **grant funding** for projects focused on improving opportunities for communities adversely impacted by historic slavery. Some early grants will also be available so that we can make funding available as we establish the fund.
- **Further research**, including into the Church Commissioners' history, supporting dioceses, cathedrals and parishes to research and address their historic links with slavery, and sharing best practice with other organisations researching their slavery legacies.
- The Church Commissioners will also continue to use its voice as a **responsible investor** to address and combat modern slavery and human rights violations, and to seek to address injustice and inequalities

The Church Commissioners is deeply sorry for its predecessor fund's links to transatlantic chattel slavery.

Frequently Asked Questions

Why did the Church Commissioners decide to look into its history now?

The Church Commissioners determined in 2019 that it was important to know its past better in order to understand its present and ensure that the Church Commissioners continues to support the Church of England's work and mission in the future as best it can.

Like many endowment funds and other institutions that existed or have origins in the 18th century, a time when the transatlantic slave trade was a significant contributor to the British economy, the Church Commissioners wanted to understand the history of its predecessor fund. When the project began, we did not know what the research would reveal, but the information discovered in our archives is clear about the origins of the fund and its links to transatlantic chattel slavery.

Why is what happened 300 years ago relevant today?

While we rejoice that transatlantic chattel slavery was abolished centuries ago, there is no doubt that there is a direct link between its legacy and unequal health and education outcomes, financial insecurity, reduced access to opportunity, and the blight of discrimination for many still today. Having learned that the Church's endowment was invested in this cruel legacy, the Church Commissioners believes that we should respond to this knowledge by investing in a better future for all.

What about modern day slavery?

The Church Commissioners is a lead investor in the '*Find It Fix It Prevent It*' programme which brings together investors, academics and non-governmental organisations to help end modern slavery. Across our equity investments we screen potential investee businesses for forced labour issues, we engage with companies to improve practices and we vote against companies who perform poorly in independent assessments of their approach to modern slavery. We also work with the *Clewer Initiative* to support action in the agricultural sector, particularly relating to tenanted businesses on Church Commissioners' land, and we are actively engaged on the emergent issue of modern slavery linked to the seasonal workers scheme in the UK.

Why have the Church Commissioners decided to respond to what they have learned about their past?

The Church Commissioners seeks through the research it has done, and its response, to acknowledge the truth of our past, apologise for the wrongs that this research has highlighted, and to address these wrongs through repentance, remembrance, reconciliation and renewal.

We believe that by addressing our past transparently, particularly this part of our past, the Church and its teachings will be more relevant to more people. We see our response as an important missional activity that will support the work and ministry of the Church of England in England.

Why have the Church Commissioners chosen the sum of £100m?

No amount of money will ever be “enough” to repair the horrors of the past. That is why we are seeking to invest in a better future.

The Church Commissioners’ Board wanted to commit a significant and impactful amount financially, while also being confident that it will not impact its financial commitments to fund certain aspects of the Church. The Board looked at other institutions with similar histories that had set aside funds in response when considering the level of funding it would make available.

The total commitment is equal to approximately 1% of the current endowment fund. The £100 million funding, which will be built-up over the next nine-years through to 2031, sits alongside expected total distributions by the Church Commissioners in support of the mission and ministry of the Church of England of £3.6 billion over the same period.

The ambition is that the impact investment fund will hopefully grow in perpetuity and leave a lasting positive legacy for a wide range of communities. There is also potential for other institutions to participate, further enabling growth in the size and impact of the fund.

What will the money be spent on?

The Board will work with a new Oversight Group to advise and guide us in how to shape and deliver the response, including how the funding will be invested. This Group will take some months to be established and we are committed to ensuring that communities most impacted by the legacy of transatlantic chattel slavery will be at the heart of our work. We want to listen widely to ensure this work is done sensitively and with accountability. We will make more information public when it's available.

Why aren't you spending this money on the Church, especially when church attendance is falling?

The endowment that the Church Commissioners manage on behalf of the Church of England is an in-perpetuity endowment fund that provides funding to support the mission and ministry of the Church of England, including funding for parishes and dioceses in the poorest areas and initiatives to support church growth. The Church Commissioners have committed to a 30% increase in funding for the Church between 2023-25, a total £1.2 billion of funding.

The £100 million funding will be built-up over the next nine-years through to 2031, and sits alongside expected total distributions by the Church Commissioners in support of the mission and ministry of the Church of England of £3.6 billion over the same period.

Where church attendance is concerned, there are many reviews and studies which show that the Church is not always seen as a safe and inclusive space for UK minority ethnic worshippers. Visibly demonstrating that the Church is for all will help to make the Church more relevant to more people across our nation and support an increase in both the number and diversity of worshippers. That everyone is welcome in his Church is something that Jesus was at pains to point out was essential. We can support this through taking responsibility for past involvement in the degradation of fellow humans - the need for us to do this is critical to many from communities who have not previously seen us do this in a way that is meaningful to them.

We believe that by addressing our past transparently, particularly this part of our past, the Church and its teachings will be more relevant to more people. We see our response as an important missional activity that will support the work and ministry of the Church of England in England.

How will the fund work?

A new Oversight Group will be formed with significant membership from communities impacted by historic slavery. This Group will work with the Church Commissioners on shaping and delivering the response, including plans and policies for how the fund will be deployed, informed by continuing listening and engagement. We'll communicate more about this towards the end of 2023.

The primary aim is that the fund achieves impact through investments, and it is hoped that these investments will enable the fund to grow over time, leaving a lasting positive legacy. We also hope that other organisations, perhaps those that might have similar histories, will want to co-invest with us to maximise the impact of this fund in-perpetuity.

The Oversight Group will help determine the type of investments the new impact fund will make, and the type of grants it may give in the future.

Is the Church trying to pay reparations by another name?

The new fund cannot be defined as reparations, practically or morally. Nothing we can do will repair the damage inflicted by generations of human misery resulting from the Transatlantic Slave Trade.

Our response is not about paying compensation to individuals, nor is it purely about the money. No amount of money will ever be "enough" to repair the horrors of the past. That is why, through this fund, we are seeking to invest for a better and future for all, in particular for communities affected by historic slavery.

How will the Oversight Group be selected?

There will be a transparent selection process for the group, with candidates being selected against consistent criteria relating to the skills and experience needed for the group. We intend that there will be significant representation from people from communities most impacted by transatlantic chattel slavery.

How can I apply for a grant from the fund?

We are aiming to have established the fund by the end of 2023. We are very keen to take sufficient time to do this, working closely through an Oversight Group with communities affected by the legacy of slavery, and anticipate that this will take some months.

The primary aim is that the fund achieves impact through investments, and it is hoped that these investments will enable the fund to grow over time, leaving a lasting positive legacy. The Oversight Group will help determine the type of investments the new impact fund will make, and the type of grants it may give in the future.

Once we have more information, we will communicate this via our website.

How can I apply to be part of the Oversight Group?

Once the criteria for membership is complete, we will publish it on our website. In the meantime, please contact Georgia Boon (georgia.boon@churchofengland.org) for more information or to register your interest.