South Yorkshire's Community Foundation

Investment Policy Document
06 March 2026

South Yorkshire Community Foundation Ltd ('SYCF')
(Charity Number: 1140947)

General Background

South Yorkshire Community Foundation Ltd ("The Foundation") was founded in 1986 and aims to meet the needs of local people facing economic hardship and barriers to aspiration in Barnsley, Doncaster, Rotherham and Sheffield. The Foundation provides grants and support to local communities. In February 2011, the Foundation transferred its entire undertaking to SYCF, a company limited by guarantee (number 7545536) with charitable status.

Financial Background

On 31st December 2025, SYCF had invested assets managed between Rathbones and Evelyn Partners (the 'investment managers') and one fund managed by CCLA. Approx 45% of the total (including all of the CCLA funds) is held as an expendable endowment with the remainder held as permanent endowment.

The assets managed by CCLA are invested in the small range of common investment funds offered by CCLA to charity investors. SYCF is still obliged, under the terms of the now closed Community First Programme to invest these funds (which were received under this programme) with CCLA.

Investment Powers

SYCF's investments are overseen by the SYCF Investment Committee which has both Trustee and the CEO as members.

Investment Objectives

The overall objectives are to generate cashflow to enable SYCF to carry out its grant making consistently year by year (with due and proper consideration for future needs) and to maintain and if possible enhance the value in real terms of the invested funds while they remain invested.

For the permanent endowment funds, an ‘income-only’ approach is adopted, i.e. only the income (equity dividends, bond coupons, cash interest, etc.) physically produced by the portfolio is withdrawn on a regular basis.

For the expendable endowment, a ‘total return’ approach is adopted, i.e. an amount, comprising income and capital growth, is withdrawn from the portfolio on a regular basis.

Time Horizon

The time horizon for investment is considered to be in perpetuity.

Environmental, Social & Governance (ESG) Policy

Direct investment in companies that operate primarily in the following areas is prohibited;

- Tobacco
- Gambling (where this activity represents+10% of turnover)
- Pornography (where this activity represents +10% of turnover)
- Armaments

In addition to the exclusions noted above, the trustees expect the investment managers to have some consideration of ESG issues when undertaking the investment of SYCF's funds, i.e. to have a Stewardship Policy that considers ESG factors. In turn, this should shape the investment managers’ engagement activity, e.g. guiding the use of their voting rights as shareholders.

When investment of SYCF's funds is undertaken via collective vehicles (unit & investment trusts) it is expected that the investment managers will engage with the appointed fund managers on matters of corporate governance. The trustees accept that some indirect investments may be in areas contrary to the principles, aims and objectives of SYCF although reasonable steps should be taken by the investment managers to highlight these if they are deemed to be significant in the overall context of the charity's investment portfolio.

Risk/Asset Allocation

The key risk to the long-term sustainability of the Foundation is inflation, and the assets should be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The investment managers should utilise an appropriate level of diversification, but the only restriction set on funds is that equity exposure should remain in the range 55% to 75% with the central target being 65%.

The above range is to be adhered to in the ordinary management of the investments. The Trustees recognise that in exceptional circumstances severe market movements may cause this range to be breached and should such a scenario arise the investment managers should consult with SYCF Investment Committee as soon as practicable to advise what remedial action, if any, may be necessary.

Benchmark

Asset Risk Consultants (ARC) Steady Growth Index

Dividends and Interest

Dividends and interest are paid to SYCF on a monthly basis.

Policy Review

The foregoing policy and arrangements will be reviewed annually by the SYCF Investment Committee. Notification of any changes are to be made in writing to the investment managers.

Signatories

Authorised signatory on behalf of the Investment Committee:

Nicholas Pike (Chair, Investment Committee):

Nicholas Pike (e-signed)

Date: March 2026

Martin Singer (CEO)

Martin Singer (e-signed)

March 2026