co-operative wealth

Open and Honest Independent Advice

Charity & Trustee Investment Guide

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Co-operative Wealth is Registered in England & Wales.
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ABOUT CO-OPERATIVE WEALTH

Co-operative Wealth was formed with the traditional values and principles of a co-operative and they use these bench marks with everything they do. With a combined service of more than 175 years, from our team of independent financial advisers.

Our team of advisers have earned a reputation over the years for meeting the investment needs of private clients, charities and co-operatives.

'Our passion in the personal approach when it comes to giving advice is where we believe makes us different to others.'

Our clients find it of real value that they are assigned a financial advisor whose main focus is to build a strong and sustainable relationship to help our client's needs. We are committed to independence, researching the whole of market and finding the most appropriate solution to meet their needs. Whether that's with an exclusive discretionary fund manager to one or many product providers. We will ensure that we help you achieve your goals.

A combined service of more than 175 years experience

We will always thoroughly discuss the ethical alternatives and our team can advise on the latest changes to Charity regulation, providing ideas, innovations and forward thinking recommendations in this developing and extremely important sector.

Our understanding of the needs of trustees means we can apply our knowledge of rules and regulations to the administration of today's Charity portfolios, to develop a successful and long term professional relationship.

Fundamental to Co-operative Wealth is the close working relationship between our clients and ourselves, and you will always find we are here to help.

SHOULD YOU CONSIDER RESPONSIBLE INVESTMENT?

At Co-operative Wealth we will always discuss with you the ethical alternatives, in line with our values and principles.

Adopting responsible investment helps your charity avoid conflict with your objectives and minimise risks to its reputation. It can help you avoid alienating supporters, staff or beneficiaries and use investments to further the work of your charity.

Being seen to invest in particular sectors or companies could damage the reputation of your charity and the public's perception of your work. This could be a particular concern for fundraising charities. According to a 2008 GFK/NOP poll of 2,000 adults commissioned by the EIRIS Foundation, 52% of the general public would be unwilling to give to a charity that is investing in a way that is against its mission, and a further 31% would be less likely to give.

In addition to helping charities avoid risks to reputation, responsible investment provides opportunities for you to positively influence corporate behaviour in line with your charitable aims and objectives. Charities can punch above their weight when it comes to using shareholder powers to influence companies' social, environmental or ethical behaviour. The reputation and supporter base of charities can aid their engagement with companies—whether this is done directly or through investment managers. A focus on social and environmental issues can also help investors to identify factors that could be a risk to long-term financial performance—such as how companies are responding to climate change.

QUESTIONS WE WORK THROUGH WITH YOU

Q: Are you invested in activities contrary to your mission statement? How sure are you?

Q: Is there a danger that you may partner with companies that are involved in activities that would be incompatible with your mission statement?

Q: Apart from the moral stance, could this constitute a reputational/stakeholder risk?

THE WAY FORWARD

Co-operative Wealth can help you to:

— Develop an investment and/or partnership/donor policy which reflects your mission statement.

— Assist in different approaches available for each objective, positive/negative screening, best of sector.

— Create a final policy to utilise with fund managers and/or internally.

UNDERSTANDING YOUR ORGANISATION'S GOALS

So that we can tailor the right investment solution for you, it's crucial we understand your organisation's financial circumstances and goals, time horizon and attitude to risk.

A critical part of the information we gather is centred on our risk questionnaire, which we'll ask you to complete with us.

You may have a different time horizon for each of your organisation's goals, and you may be willing to take more risk with one goal than another. We'll aim to identify the style of investing most suited to your goals and construct an appropriate investment solution.

— You may want to make sure that you have sufficient reserves in the future, for example to fund projects or simply to cover unexpected expenses.
— You may have long-term expansion plans for your organisation which will require substantial financial input.
— You may need a steady and sustainable level of income to fund the day-to-day running of your organisation or to provide grants.

DIFFERENT GOALS MAY MEAN DIFFERENT INVESTMENT SOLUTIONS

Financial goals can generally be divided into three categories:

— Aiming to preserve or grow capital.
— Aiming to deliver a regular income.
— Elements of both of the above.

DIFFERENT GOALS, DIFFERENT APPROACHES:

— Investing to preserve capital.
— Investing for growth.
— Investing for income.
— Investing to draw a regular income from a portfolio, or 'decumulate'.

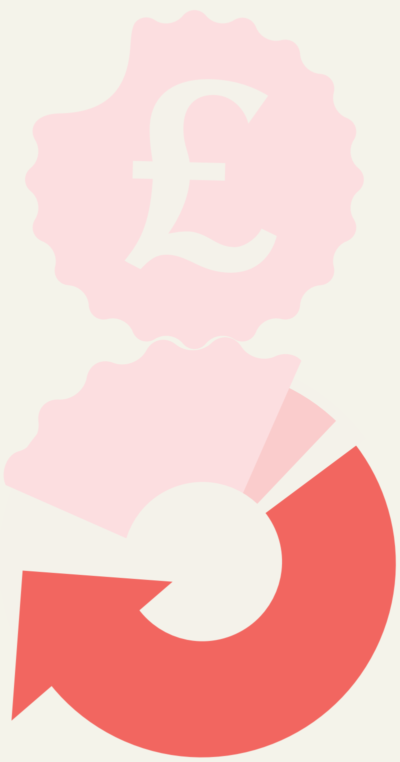
If you want to find out more about our independent advice then we'll arrange a meeting with one of our independent financial advisers. They'll put together a detailed tailored proposal with you. As with any investment, the value can go up or down, and may be worth less than your organisation paid in.

TWO DISTINCT INVESTMENT APPROACHES

Like most charities, you're likely to have a variety of different objectives for your organisation's investments. For part of your reserves, your priority may be preserving what you have. But for some of your investments, you may be looking to achieve more ambitious returns. We're also aware that many charities rely on income from their investments to fund day-to-day operations.

At Co-operative Wealth, we offer a holistic approach to managing money: from preservation to generation, we have an approach to suit your organisation's needs, risk profile and capacity for loss. That's why you might want to consider Co-operative Wealth to manage some or all of your organisation's financial assets.

We're independent in everything we do regarding investment selection, with complete freedom to select from all funds and securities in the market.



WHAT MAKES CO-OPERATIVE WEALTH DIFFERENT?

Our holistic approach to managing money combines two distinct methods of investing:

TRADITIONAL APPROACH:

— Invests in traditional asset classes, like equities, bonds and property.

— Aims to outperform the market or an agreed benchmark.

— Can incorporate specific income targets and ethical constraints.

TARGET RETURN, VOLATILITY MANAGED APPROACH:

— Has a broad level of diversification.

— Takes advantage of sophisticated investment techniques.

— Aims to deliver specific target returns.

Your organisation's investments will be professionally managed by industry-qualified investment experts, all of whom have proven track records managing best-in-class solutions on both a target return and relative return basis.

— We'll actively manage your organisation's portfolio of investments.

— We'll respond swiftly to market events or changing economic conditions.

— We'll realign your organisation's portfolio when appropriate.

WHY CONSIDER OUR TARGET RETURN, VOLATILITY MANAGED APPROACH?

As with any investment, the value of your organisations' portfolio can go up or down, and may be worth less than your organisation paid in.

MEETING YOUR ORGANISATION'S NEEDS

What your organisation can expect from us…

We're committed to providing you and your organisation with an excellent and personal level of service, so we'll work closely with you to understand your financial goals. You'll also have a dedicated Independent Financial Adviser, responsible for looking after your organisation's investments.

— You can contact them directly about your organisation's investments, and any changes in goals or circumstances.
— Or, we can work closely with you and your professional advisers.

FEES AND CHARGES

We have a tailored tariff of charges for our charity clients. So that you understand what services you're paying for, please contact our charity desk for further details.

REPORTING

We'll send you regular, customised quarterly reports, which detail your organisation's current portfolio valuation, cash and transaction statements, as well as investment performance and investment commentary.

REVIEW MEETINGS

Your personal Independent Financial Adviser will be available for regular face-to-face review meetings with you and/or your professional advisers.

TAX PACKS

We'll prepare statements and include details of your investments to aid preparation for your financial year-end.

TECHNICAL SUPPORT

We recognise that charity trustees have a number of legal responsibilities, including how they select and work with investment managers. That's why we not only support your organisation's financial ambitions, but also help you fulfil your legal responsibilities.

As part of our service, we can provide a charity fact find and investment policy statement, a charity meeting agenda and minutes template, and a trustees' duty and obligations summary. We may also be able to arrange for other technical support to be provided where appropriate, for example how our different investment approaches work.

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