

## MEDIA RELEASE

January 2021

### CCLA LEADS INVESTOR RESPONSE ON FOOD BOX SCHOOL MEAL PROVISION

- **£3 trillion<sup>1</sup> industry coalition calls Compass Group to account over subsidiary, Chartwells**

**London, 13 January 2021:** CCLA, the UK's largest investment manager for charities and local authorities<sup>2</sup>, has mobilised a coalition of asset owners, asset managers and other finance industry stakeholders to call on Compass Group to answer critical questions regarding the provision of food parcels in lieu of free school meals by its subsidiary, Chartwells.

Coalition representatives have signed an open letter to Compass Group's CEO, Dominic Blakemore, expressing concern in response to reports that that food boxes provided by Chartwells to the most disadvantaged families in the UK are falling short of expectations. Signatories include: Legal and General Investment Management, EOS at Federated Hermes, BMO GAM, M&G PLC, Rathbone Brothers PLC, The Church Investors Group, Church Commissioners for England, PIRC, Central Finance Board of the Methodist Church & Epworth Investment Management, The Jesuits in Britain, Lankelly Chase, Trust for London, Friends Provident Foundation and ShareAction.

The letter states that while the signatories welcome the clarification and apology issued by Chartwells they would welcome further reassurance as to how future food parcels will meet the needs of the most disadvantaged families in the UK.

**James Corah, Head of Ethical and Responsible Investment at CCLA Investment Management, said:**

"As responsible investors, we are concerned by the disproportionate impact the disruption posed by COVID-19 has had on the poorest members of our society. All children have the right to access nutritious diets to support healthy development, and we are particularly alarmed about the increase in child hunger during this period. As a company that says it is committed to good nutrition and responsible business practices, Compass Group risks falling foul of its own guiding principles.

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<sup>1</sup> Aggregated assets under management or advice disclosed by letter signatories on or before 13 January 2021

<sup>2</sup> Charity Finance's Fund Management Survey 2020 ranked CCLA first as the UK's largest manager in the charity sector by funds under management and by the number of charities.

We acknowledge Compass Group’s public apology and public clarifications on this matter. However, given the potential ramifications, the company must be completely transparent, make adjustments and improvements as required and move quickly to restore faith in its business.”

**James Bevan, Chief Investment Officer at CCLA Investment Management, concluded:**

“At times it is necessary to seek answers, not only as investors in the company, but also as members of society. The Coronavirus pandemic has been challenging for everyone and particularly for lower-income families. It is incumbent on us all to do our part. As responsible investors, we will call upon companies to demonstrate commitment to sustainable business practices that meet the needs of all stakeholders.”

ENDS

**Notes to editors:**

**A copy of the CCLA-convened stakeholder letter can be found at:**

<https://www.ccla.co.uk/about-us/press>

**Signatories of the letter are:**

Legal and General Investment Management  
EOS at Federated Hermes (a stewardship services provider advising on behalf of global institutional investors)  
BMO Global Asset Management  
M&G PLC  
Rathbone Brothers PLC  
The Church Investors Group  
Church Commissioners for England  
Church of England Pensions Board  
PIRC  
Central Finance Board of the Methodist Church & Epworth Investment Management  
The Jesuits in Britain  
Lankelly Chase Foundation  
Trust for London  
Friends Provident Foundation  
ShareAction

**About child hunger during the pandemic**

The disruption caused by COVID-19 has been felt the hardest by the most vulnerable members of society. Child hunger has increased during this period. Research by the Social Market Foundation identified that more than 1.9 million children went short of food during 2020<sup>3</sup> and, according to Mars and the Trussell Trust, 30% of UK adults are concerned that they will not be able to provide for themselves or their family<sup>4</sup>.

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<sup>3</sup> <https://www.smf.co.uk/16-of-children-missed-meals-due-to-hardship-during-pandemic/>

<sup>4</sup> <https://www.thegrocer.co.uk/community/how-prevalent-is-child-hunger-in-the-uk-and-what-can-be-done-about-it/648080.article>

In the six months following the lockdown that began in March 2020, one in four children in the UK, or 3 million, faced some form of food deprivation, the Social Market Foundation stated in its report, 'Measuring and mitigating child hunger in the UK'.<sup>5</sup> Some parents said their children had to make do with smaller portions, skip meals or go a day without eating between March and September, the report stated.

### **About CCLA**

CCLA manages investments for charities, religious organisations and the public sector. CCLA champions action on issues that have not received the attention that they deserve because it believes it has a moral duty to do so and that it is in the long-term investment interests of its clients, and the industry at large. CCLA Investment Management Limited and CCLA Fund Managers Limited are authorised and regulated by the Financial Conduct Authority.

Founded in 1958, CCLA aims to deliver strong long-term returns and have unmatched experience in providing ethical and responsible investment to charities. CCLA is independently owned by its clients for whom it is responsible for £12.4 billion of assets under management, as at 31 December 2020. Charity Finance's Fund Management Survey 2020 ranks CCLA in first position as the UK's largest manager in the charity sector by funds under management and by the number of charities.

### **For further information:**

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<sup>5</sup> <https://www.smf.co.uk/wp-content/uploads/2020/12/Measuring-mitigating-child-hunger-Dec-20.pdf>