



BARROW CADBURY TRUST

🇬🇧 Fostering lasting change through active engagement

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| TYPE | Grantmaking and operating foundation |
| MISSION | The trust's mission is to use all of its assets, especially its money, to work with others to bring about structural change for a more just and equal society. |
| FOCUS AREAS | Criminal Justice, Migration, Economic Justice, Responsible and Social Investment |
| BUDGET | Annual grantmaking budget: £2.5 M |
| ENDOWMENT | Size of endowment: £90.9 M |

“Our mission has always been about change: changing structures and changing systems, changing government policy or getting legal changes rather than just trying to alleviate the symptom. I see that our investments are doing the same thing, getting everybody involved and trying to shift the dial.”

Mark O’Kelly, Director of Finance and Administration (Barrow Cadbury Trust)

1. Motivation

The Barrow Cadbury Trust, rooted in Quaker values of simplicity, truth, equality and peace, has a longstanding tradition of ethical investing, aligning with its Quaker-derived social value proposition.¹

The trust has been involved in ethical investing since its beginning 103 years ago. Operating with a segregated portfolio for over 50 years,² the trust maintains a transparent understanding of its investments, conducting quarterly reviews with periodic in-depth analyses.

The evolution towards integrating climate-aligned investments in its portfolio occurred organically, driven not solely by climate change concerns but by a broader commitment to activism, reflecting an external shift in understanding and deepening awareness of the global emergency.



- 1 Quakers in Britain. [Our values.](#)
- 2 A **segregated portfolio** is a set of assets separated from a larger group that are managed according to the risk parameters, the investment objectives, and the ethical constraints defined by a client. A key advantage is that the client can identify at all times exactly which stocks are being held. This is in contrast to a pooled investment which is a professionally managed fund with determined objectives and a risk-return trade-off that brings together capital from many investors. Investopedia. [Segregation: Definition, how it works works with securities and example.](#)

This case study is an excerpt from “[Feeling the Heat: How Foundations Can Use Their Investments to Curb Climate Change](#)”, Philea 2024.

“The process was organic and wasn't primarily about climate change: It was about activism and full of crossroads along the way.”

Sara Llewellyn, Chief Executive (Barrow Cadbury Trust)

2. Approach

Sara Llewellyn, Chief Executive of the Barrow Cadbury Trust, was appointed in 2009 with expertise in social investment, initiating the foundation's investment in the UK's first Social Impact Bond.

Under her leadership, the board earmarked up to 5% of the endowment for a dedicated social investment portfolio, a commitment later expanded to £6 million (approximately 6.7%). The labour-intensive nature of the trust's social investments, often surpassing the size of its grants, necessitated the hiring of a dedicated professional to oversee these activities.

The organic evolution towards climate-aligned investments was and continues to be rooted in a broader commitment to using the potential of social activism. Recognising the influential role of its investments, the trust actively engages with companies. In 2013, anticipating the labour-intensive nature of such activities, the trust initiated the Charities Responsible Investment Network (CRIN), facilitated by ShareAction. This network serves foundations pursuing responsible investment approaches, enhancing knowledge and collaboration within the field.

From 2016-2017, the Barrow Cadbury Trust began to acknowledge more strongly the significant risk climate poses to the various issues of its work, from economic justice to migration. Undertaking internal work to align finance with social justice, the foundation incorporated a climate-active approach in its investment policy. This approach prioritises positive and active engagement before considering divestment: The trust consciously chooses not to exclusively invest in companies already aligned with the Paris Agreement goals, opting instead to create opportunities for progress, such as transitioning from fossil fuels to green energy. Engagement occurs through various coalitions, shareholder meetings, letters and resolutions. Mark O'Kelly, Director of Finance and Administration, supported an asset management firm to launch the Climate Active Endowments Fund in 2018. The trust invests alongside the fund with shared investments, supporting engagement activities.

In 2019, the trust became a founding signatory to the [UK Funder Commitment on Climate Change](#), which later become part of the global #PhilanthropyForClimate movement. This commitment prompted the trust to demonstrate its climate change approach publicly. In

2021, the trust posted a comprehensive Climate Change statement on its website, outlining an annual action plan aligned with the UK Funder Commitment's pillars. The action plan details various ways the trust leverages its investments to address climate change, emphasising portfolio alignment, company engagement and investments with positive environmental impacts.

Building the field: The Charities Responsible Investment Network

As part of its journey to climate-align its endowment through active engagement, the Barrow Cadbury Trust supported the creation of the Charities Responsible Investment Network (CRIN). CRIN is facilitated and managed by ShareAction, a responsible investment advocacy organisation.

In the UK, charities collectively hold over £115 billion in investments, presenting a significant opportunity for impactful change. CRIN plays a crucial role in leveraging this potential by bringing together charities with investments to align their financial resources with their missions through responsible investment practices. Over the past few years, CRIN has actively engaged with investee companies, investment managers and policymakers on a diverse range of environmental, social and governance issues. These include advocating for the Living Wage, addressing workers' rights in supply chains, scrutinising executive pay, challenging corporate lobbying practices, and evaluating investment managers' voting records.

Through collaborative efforts, CRIN empowers charities to integrate responsible investment strategies, allowing their financial assets to contribute meaningfully to their charitable objectives and drive positive societal and environmental impact.

3. Success and limiting factors

Success factors

Extensive experience:

Leveraging the trust's considerable experience in ethical, responsible and social investment, along with a track record in supporting social change, provided a strong prerequisite for success.

Strategic expertise

The foundation's ability to bring the right expertise on board played a pivotal role in navigating the complexities of climate-aligned investing and ensuring informed decision-making.

Holistic recognition of climate change

Recognising climate change as a cross-cutting issue allowed the trust to instil its relevance throughout the organisation, garnering commitment from board members, staff and broader partners in the field.

Inclusive engagement

Encouraging commitment from the entire organisation fostered a coordinated effort, aligning stakeholders with the trust's climate goals.

Collaborative learning

Actively engaging with other foundations through discussions and formal networks, such as CRIN and the UK Funder Commitment on Climate Change, facilitated shared learning, contributing to an informed and effective approach.

Limiting factors

Resource-intensive engagement

The active engagement approach demanded significant time and expertise, posing a challenge in terms of resource allocation.

Complex impact assessment

Assessing, capturing and attributing the impact of investments proved challenging due to the long-term nature of structural change work. The difficulty in quantifying and attributing specific outcomes posed limitations on evaluating the success of the investments. For example, some changes in company behaviour brought about by active engagement seem significant but are demonstrated to be short term. This is illustrated by the case of Barclays bank which, in 2020, in response to a shareholder resolution, agreed to align its activities to the Paris Agreement and to bring emissions down to net zero by 2050, but [continues to finance new oil fields](#).

“It's important to ask, what's the acceptable risk profile of your organisation? And how often do you interrogate that in light of current events?”

Sara Llewellyn, Chief Executive
(Barrow Cadbury Trust)

4. Results

Barrow Cadbury Trust's **investment portfolio is now fully aligned with the climate active approach** of their investment manager.

The trust's mission fundamentally revolves around driving change, aiming not merely to alleviate symptoms but to transform structures, systems and government policies, and enact legal changes. It recognises that **its investments now play a similarly transformative role**, engaging all stakeholders and actively working to shift paradigms. According to the trust's leadership, the development of an ecosystem in the field generates more impact than the impact of an individual trust's investment portfolio.

This signifies a shift in focus towards collaborative and systemic efforts, recognising the significance of **broader engagement and the network effect** in creating lasting and meaningful change within the responsible investment landscape of the UK charity sector through CRIN and the UK Funder Commitment on Climate Change.



5. Resources

[Barrow Cadbury Trust's climate action plan and progress 2023-2024](#)

[Charities Responsible Investment Network \(CRIN\)](#), facilitated and managed by ShareAction