

Global investor statement on workplace mental health

As long-term institutional investors, we believe that protecting and promoting good workplace mental health is a business imperative, relevant not only to a company's duty of care to its employees but also to its bottom line.

It is potentially material to long-term value creation and a relevant consideration when forming investment views on companies and sectors across global capital markets.

Employment can have a positive impact on mental health, and the principles good work¹ are proven to support good mental health, prevent new mental health problems from arising and help those with existing conditions to succeed in work.²

Effectively managing mental health in the workplace also saves money, through enhanced productivity, increased innovation, reduced absence to sickness, and lower staff turnover. In the UK alone, Deloitte found an average return of £5.30 for every £1 invested in workplace mental health interventions.³

We recognise the mutual benefit to investors, businesses and society of taking action on mental ill-health in the workplace. We therefore call on the companies in which we invest to consider the business risks and opportunities associated with mental health. We ask that business performance is optimized, through the elimination of avoidable costs associated with mental ill-health and efforts to create the working conditions under which every individual can thrive.

As responsible investors, and consistent with our fiduciary duty to our beneficiaries, we will seek to use the findings of the CCLA Corporate Mental Health Benchmarks to encourage companies to take the following actions:

1. Acknowledge workplace mental health as an important consideration for the business and for its employees.
2. Signal board and senior management commitment to promoting mental health in the workplace, recognise the link between mental health and 'good work' principles, and encourage a culture of openness on mental health.
3. Publish a commitment to workplace mental health in a policy statement (or equivalent) together with a description of the scope of this commitment and of the governance and management processes in place to ensure the policy is effectively implemented and monitored.
4. Set objectives and targets to improve workplace mental health.
5. Report annually on progress against the company's mental health policy and objectives.

¹ Good work principles include diversity, equity and inclusion; fair pay and financial wellbeing; employee information and consultation; flexible working; career progression and job adjustment; anti-bullying and non-harassment.

² Stevenson, D. and Farmer, P. (2017) 'Thriving at Work: The Stevenson/Farmer Review of Mental Health and Employers.' Online at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/658145/thriving-at-work-stevenson-farmer-review.pdf.

³ Deloitte (2022) 'Mental Health and Employers: The Case for Investment – Pandemic and Beyond.' Online at <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/consultancy/deloitte-uk-mental-health-report-2022.pdf>.

Signatories

Achmea
Adrian Dominican Sisters,
Portfolio Advisory Board
AdviserAction
Alken Asset Management Ltd
Allianz Global Investors
Alquity Group
Anchorage Capital Partners, L.P.
Arabesque Asset Management
Asset Value Investors
Bon Secours Mercy Health
Boston Common Asset Management
Brunel Pension Partnership Ltd.
Cardano Asset Management
Castlefield Investment Partners LLP
CCLA Investment Management
Central Finance Board of the
Methodist Church and Epworth
Investment Management
Church Commissioners for England
Close Brothers Asset Management
CMA Impact Inc
Congregation of St. Joseph
CQS (UK) LLP
Daughters of Charity, Province of St. Louise
EOS at Federated Hermes
(on behalf of its stewardship clients)
Evelyn Partners (formerly Tilney
and Smith & Williamson Group)
Federated Hermes Limited
First Sentier Investors
Fondo Cometa
Friends Fiduciary
Future Group
Guy's and St Thomas' Foundation
IEIR

Impax Asset Management
Interfaith Center on Corporate Responsibility
J. Stern & Co.
Jesuits in Britain
JLens Network
Liontrust
Mercy Investment Services, Inc.
Miller/Howard Investments
NEI Investments
Nomura Asset Management
Pension Protection Fund
Railpen
Rathbone Greenbank Investments
Region VI Coalition for
Responsible Investment
Royal London Asset Management
SHARE – Shareholder Association
for Research & Education
Sisters of St. Francis, Dubuque, Iowa
Sisters of the Humility of Mary
Stichting Pensioenfondsen voor Huisartsen
Sycomore Asset Management
TAM Asset Management Ltd
Titan Wealth Holdings Ltd
Vancity Investment Management

WANT TO KNOW MORE?

Please contact:

Amy Browne
Stewardship Lead
amy.browne@ccla.co.uk
020 7489 6030

Collaborative initiatives disclaimer

The global investor coalition on workplace mental health

The Global investor coalition on workplace mental health (the coalition) aims to facilitate discussion and the exchange of public information. The coalition is not a forum for joint or collective decision-making or action with respect to acquiring, holding, disposing of and/or exercising or refraining from exercising the voting rights attached to securities. Members must not exchange or disclose nonpublic, competitively sensitive or confidential information, including with other members or participants in engagements, the coalition itself, and stakeholder networks. The exchange or disclosure of information in the context of collaboration or discussion can give to the impression of the existence of a potentially unlawful agreement. It is therefore important to avoid exchanging information which might result in, or appear to result in, a breach of UK law and in particular UK competition law.

It is the intention that the coalition will operate at all times in accordance with UK law and regulations and in particular UK competition law and rules regarding acting in concert. Members must be aware that any discussions, engagement or networking between them may be subject to competition law and the rules regarding acting in concert and should not engage in discussions or actions that contravene either in any way. Members must avoid coordination of strategic behaviour between competitors that impacts or is likely to impact competition or may result in a breach of competition law.

Members are responsible for their own or their clients' investment and voting decisions and must always act completely

independently to set their own strategies, policies and practices based on their own or their clients' best interests. The use of particular engagement tools and tactics, including the scope of participation in collaborative engagements, is at the sole discretion of each member.

Members may not claim to represent other members, participants in discussions or stakeholder networks nor should members make statements referencing or purporting to be on behalf of other parties without their express consent. Any decision to take action with respect to acquiring, holding, disposing and/or voting or refraining from voting of securities shall be at a member's sole discretion and made on their own behalf or that of their clients and not on behalf of the coalition, its stakeholder networks or their other members

The Global investor coalition on workplace mental health and its stakeholder networks do not act or speak on behalf of each other or coalition members. They also do not seek directly or indirectly, either on their own or another's behalf, the power to act as proxy for a security holder and do not furnish or otherwise request, or act on behalf of a person who furnishes or requests, a form of revocation, abstention, consent or authorisation.

The coalition does not provide investment or voting recommendations, and members should not make investment or voting decisions based on the investment or voting behaviour of other members.

CCLA, June 2024

CCLA

BECAUSE GOOD IS BETTER