



Investment Policy

Cover Sheet (mapped fields)

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1. Purpose

The John Muir Trust ("the Trust") is a UK charity, registered as a company limited by guarantee and incorporated in Scotland. Its purpose is to conserve and protect wild places for the benefit of present and future generations, defining wild places as areas where natural processes are able to thrive.

The financial objective of this policy is to maintain the real (CPI inflation-adjusted) value of its invested reserves, while generating a stable and sustainable return to support the Trust's charitable purposes.

The Trust holds a combination of current and fixed assets, including cash, property, and an investment portfolio. Investment income supports the Trust's core activities.

In addition to return on investment, the Trust receives income from fundraising donations, grants, charitable trusts, and legacies. This income also supports core activities and specific projects, such as land acquisition. The Trust has a trading subsidiary, JMT Trading Company Ltd.

The Trustees retain ultimate responsibility for investment decisions in line with their fiduciary duties. However, they have delegated day-to-day investment decisions to an external Investment Manager, overseen by the Finance Committee.

This policy outlines the Trust's approach to managing and monitoring its investments, providing transparency, and ensuring alignment with its charitable objectives.

2. Investment Objectives

The Trust aims to achieve the best financial return possible, while taking a moderate level of risk. We expect the value of our investments to go up or down by about 8-10%. If the value changes by more than 15% (not counting money going in or out) over a rolling 12-month period, we will review our investment strategy.

If portfolio performance falls outside of this tolerance, the Investment Manager must consult with the Finance Committee to review the appropriateness of the current strategy and consider capital preservation measures.

The investment objective is to achieve a return of CPI + 3.5% per annum over a long-term period (5-10 years), net of fees. This target supports maintenance of asset value and annual expenditure and will be reviewed annually by the Finance Committee.



3. Asset Allocation and Currency

The Trust's assets may be invested across a range of asset classes, as permitted by the Charities and Trustee Investment (Scotland) Act 2005. These include cash, bonds, equities, property, structured products, and commodities. Investments should be diversified by asset class, region, and sector.

Table 1 sets out the expected asset allocation. These ranges are indicative; significant deviations require explanation to the Finance Committee. Additional cash is held outside the portfolio, so the cash allocation should remain at the lower end of the range.

Table 1: Asset Allocation Ranges

Asset Class	Expected Range
Global equities	69% +/- 10%
Fixed Interest	14% +/- 10%
Alternatives (e.g. Property, Infrastructure, Renewables)	10% +/- 10%
Cash	7% +/- 5%

The base currency is Sterling. The Trust acknowledges that many investments will be global and therefore denominated in foreign currencies.



4. Investment Time Horizon

The Trust adopts a long-term (5-10 year) investment horizon and expects capital growth at least in line with CPI. Performance is assessed over a rolling 3–5 year period.

5. Responsible Investment

The Trust is committed to investing in a manner consistent with its stated purpose (see 1.1) and its organisational values, based on available evidence.

Pursuant to this, and also as part of its management of reputational risk, the Trust may seek to avoid investing in organisations that might be regarded as unsuitable for a conservation charity, and may therefore apply ethical restrictions on investments in certain sectors. Examples include not investing in producers of adult material, tobacco, those involved in gambling, and oil and gas exploration and production, and companies with a reputation for poor Environmental, Social and Governance (ESG) compliance.

Beyond these areas, the Trust is open to investments that are consistent with its purpose and support long-term financial stability, including maximising returns within an appropriate risk framework and enabling strategic investment in conservation.

6. ESG Considerations

The Trust expects the Investment Manager to incorporate Environmental, Social and Governance (ESG) factors into investment decisions and stewardship practices.

The Investment Manager must be a signatory to the UN Principles for Responsible Investment (UNPRI) and is expected to:

- Engage with companies on ESG issues.
- Report annually on ESG integration and voting activity.
- Support good corporate standards and transparency.



Key ESG themes for the Trust include:

- Environmental: Climate change mitigation, biodiversity and habitat protection.
- Social: Labour rights, community relations.
- Governance: Board diversity, transparency, TCFD (Task Force on Climate-related Financial Disclosure), TNFD (Taskforce on Nature-related Financial Disclosures) aligned reporting.

7. Management, Monitoring and Reporting

The Investment Manager operates on a discretionary basis within this policy and provides custody of assets. Quarterly reports covering valuation and performance are provided to the Director of Finance.

The Trustees have delegated responsibility for monitoring investment performance, risk, and asset allocation to the Finance Committee, who will do this quarterly. The Investment Manager is required to attend at least one Finance Committee meeting per year.

The Finance Committee formally reports to the Trustees quarterly, summarising performance and key issues.

8. Appointment and Review of Investment Manager

The Trust will appoint a suitably qualified and regulated investment manager to manage its investment portfolio on a discretionary basis, in accordance with this policy and applicable laws and regulations.

The selection of an investment manager will follow a transparent and competitive process, considering:

- Experience with charity clients and ethical investment mandates.
- Performance track record.
- Fees and costs.
- Approach to Environmental, Social and Governance (ESG) factors.
- Reporting and client service.



The investment manager's performance will be monitored on a quarterly basis by the Finance Committee, including:

- Portfolio performance against the agreed benchmark (e.g. CPI + 3.5%).
- Risk and volatility metrics.
- Compliance with agreed asset allocation ranges.
- ESG engagement and reporting.

The performance and suitability of the investment manager will be monitored regularly through informal reviews, which may include discussions with the manager, analysis of reports, and benchmarking against appropriate comparators. These informal reviews are to ensure ongoing performance and alignment with the Trust's values and priorities. A formal review, which includes a more comprehensive evaluation of performance, service quality, fees, and strategic alignment, will be undertaken at least every 5–6 years. A formal review will also be carried out sooner if informal reviews raise significant concerns.

9. Review and Approval

This policy is reviewed at least annually by the Finance Committee. Material changes will be recommended by the Director of Finance to the Trustees for approval.

Approved by Leadership Team: 20/05/2025

Recommended for Approval by Finance Committee: 02/06/2025

Approved by Board of Trustees: 19/06/2025