



Responsible Investment Policy

Policy introduction

At Evelyn Partners we are committed to generating superior risk-adjusted returns for our clients by investing in companies that will create long-term value for all stakeholders. As part of this, we recognise how environmental, social and corporate governance (ESG) factors, alongside voting and engagement activity, can influence the prospects and financial performance of our investments, and play a key part in our responsibility to society, stakeholders and our clients.

This policy will complement our existing investment process including strategic and tactical asset allocation, direct and collective security selection and links to our separate voting and engagement policies. Our former brand Smith & Williamson is a signatory to the UK Stewardship Code and Evelyn Partners is a signatory of the United Nations supported Principles for Responsible Investment (UN PRI).

Definitions

We recognise that 'responsible investing' means different things to different people and has no unified definition. However, we believe that a responsible investing policy should take into consideration the following areas: integration of ESG issues and CSR (Corporate Social Responsibility) factors into the investment process and acting as responsible stewards on behalf of clients, through voting and active engagement with investee companies.

Purpose and scope

Evelyn Partners is committed to delivering the best possible risk-adjusted returns for our clients and we believe responsible investment supports this aim. This policy is intended to focus on our direct equity, fixed interest and collective investments held within portfolios managed by Evelyn Partners Investment Management LLP. We integrate ESG factors into our fundamental investment analysis of directly held securities and monitor the responsible

investment activity of third-party funds in order to protect and enhance long-term returns. We are dedicated to providing a bespoke investment management service to match the requirements of our clients, rather than impose our views on them. Accordingly, additional exclusionary or inclusionary solutions are only instigated at the behest of our clients.

External data providers

We use MSCI to provide ESG data, screening and reporting, we use Glass Lewis for proxy voting advice and Broadridge for electronic voting.

Roles and responsibilities

Our responsible investment policy has been established by the Corporate Responsibility Committee (CRC) which reports directly to the main Board of Evelyn Partners. Day-to-day implementation is the responsibility of the Stewardship and Responsible Investment Group (SRIG), working with the Direct Investment Group (DIG) and the Collectives Investment Group (CIG), all under the overall supervision of the Investment Process Committee (IPC). The Stewardship and Responsible Investment Team is responsible for co-ordinating & reporting on activity, reviewing and co-signing off proposals to vote against management, liaising with third-party data providers and providing support to all the supervisory groups and underlying analyst teams.

Active ownership and engagement

Our client base is a mix of private client portfolios, trusts, charities, pensions and companies. As such, there is a long tail of smaller holdings, held for various reasons, and it would be impractical to vote on every holding. Therefore, we have chosen to impose a materiality screen: we exercise the voting rights for all investments held on a discretionary basis for charity and not-for-profit clients (as well as for all other discretionary holdings of the same investments), any position where we have discretionary authority over more than 1% of the outstanding share capital and all stocks on our AIM monitored list. This amounts to around 750 companies and investment trusts on a worldwide basis.

We receive voting recommendations from Glass Lewis but enforce our own custom policy that is built from our experience and the expertise of our managers and investment analysts.

Evelyn Partners' voting policy is detailed separately. Broadly, we focus on:

- transparency and communication
- corporate culture
- strategy
- financial disciplines, structure and risk management
- stakeholders, environmental and social issues
- governance

Evelyn Partners' engagement policy is detailed separately. Broadly, we engage at the following levels:

- With any resolution that we vote against, we write to the Chair of the Board to explain our reasons for doing so
- With over 500 meetings with companies every year, our analysts have plenty of opportunity to follow up on areas of potential concern flagged by their research or by our external data providers

- By taking part in larger collaborative engagements through memberships with The Investor Forum and Climate Action 100+. This provides us with a private forum to pool resources, share information, enhance influence and engage with companies, policymakers and other stakeholders in the investment value chain on ESG issues across asset classes, sectors and regions.

Reporting and management information

Our policies are published on our website. As a signatory to the UNPRI, we submit an annual assessment report in accordance with their guidelines. Our voting and engagement activity is published each quarter on our website. Our Stewardship Code response can also be found on our website. Management oversight reporting is provided quarterly. We write regular articles on this area and present regularly on the topic at our own conferences, trustee training events and at other events.



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