



## **PRIVATE TRANSPARENCY REPORT**

**2024**

**Evelyn Partners Services Limited**

Generated 25-11-2024

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2024 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

We believe that integrating responsible investment (i.e. the combined activities of Environmental, Social, and Governance (ESG) integration and active stewardship) strengthens our internal processes. We also believe this is at the forefront of our fiduciary duty to our clients. We are authorised signatories of the UK Stewardship Code and committed to the principles of the Code as well as the UN Principles of Responsible Investment. Our ongoing efforts to satisfy the requirements of continuous improvement elevates our client offering.

Responsible investment is an important principle for the Group and plays a vital part in setting our agenda which considers ESG measures and metrics. Non-financial factors can have significant impact on long-term financial performance and risk profile of investments, both positively and negatively, therefore we have integrated consideration of these factors as a core component of our investment approach. We believe that companies with high standards of governance and corporate behaviours are likely to have more resilient business models. When investing in third-party funds, we work to choose those with the same commitment and approach to stewardship as Evelyn Partners.

As responsible investors, we are engaged in the stewardship of the businesses in which we invest. We use our influence to improve ESG practices and performance in investee companies and by collective investment managers. We do this by engaging (directly and collaboratively) where we have material shareholdings and by voting at shareholder meetings. As good stewards of our clients' capital, we seek to encourage better business practices, which should both enhance the value and reduce potential risks.

We continue to use collaborative engagement platforms to address various systemic risks and wider themes that we consider important, as well as to learn from industry peers. This currently includes The Investor Forum, Climate Action 100+, the "Find it, Fix it, Prevent It" modern slavery collaboration, Nature Action 100 and the Farm Animal Investment Risk and Return (FAIRR) initiative. We are also active in engaging with companies directly and have an extensive voting programme for discretionary assets.

#### Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

In accordance with our organisation's commitment to making incremental changes to its responsible investment process, we made a series of improvements to our ESG integration measures and initiated new stewardship activities over the course of 2023.

## ESG process enhancements in 2023

### 1. Strategic megatrends

Identifying, assessing and mitigating systemic risks are central elements of our investment service and this process was further enhanced in January 2023 by the strategy team's megatrends research. Megatrends are described by our strategy team as powerful, disruptive forces that shape economies, businesses and societies – systemic risks. They can however drive innovation, steer investment and create new ideas.

Identifying these trends helps guide us to opportunities – and away from risks. Each change brings uncertainty, but also significant opportunities for those industries that are on the right side of these tectonic shifts. This work helped analysts and investment professionals to incorporate wider themes that may impact portfolios and also broadly informed our stewardship approach.

### 2. ESG process updates

In 2023 we reviewed the direct sector material risk process, making improvements to the ESG documentation provided to analysts on a routine basis. We also rolled out SFDR metrics across the firm and extended RI related analysis into the AIM team. On the collectives process the "green tick" process was renamed to, "Enhanced ESG integration due diligence" (EEIDD) and process enhancements were made including the introduction of sustainability related screening. We also amended the RI elements of collective sector documentation and made changes to the ESG questions in the Door questionnaire. TCFD related historical data integration and scenario analysis was also conducted on our overall discretionary book.

### 3. Data, training and resources enhancement

We rolled out our proprietary responsible investment Dashboard to all investment managers which makes a range of metrics available including for example, absolute GHG and other Principal Adverse Impact indicators (PAIs) at client level. As part of the training on the Dashboard to investment managers, both SFDR and TCFD data and related training content was included. Later in the year, 9 more PAIs were added to the Dashboard following a material assessment of additional indicators.

Evelyn Partners also invested in a TCFD Enhanced Climate Metrics product and managed reporting service that assisted in TCFD fund reporting. These new tools helped us improve our overall monitoring and assessment of our financed emissions and climate-related risks and opportunities for our discretionary managed assets, including scenario analysis.

A director of responsible investment was hired to increase resources in this important area, to further ESG integration and develop our commercial proposition.

## New stewardship initiatives in 2023

### 1. Direct climate engagement

We initiated a project in 2023 to encourage investee companies with high levels of carbon emissions within their operations and low GHG emissions disclosure practises to raise their ambition. We identified the companies we actively monitor from the three most carbon intensive sectors of energy, materials, and utilities. Companies identified were sent a list of relevant questions relating to their external emissions disclosures and net zero targets, as well as their readiness relating to physical and transition related climate risks. We received a series of early responses in late 2023 and will continue with this engagement initiative in 2024.

### 2. New collaborations

We also joined two new collaborative initiatives, NA100 and FAIRR. FAIRR works to reduce risks in various areas of the food chain and Nature Action 100 aims to support greater corporate action and ambition in reversing nature loss to mitigate financial risk.

### 3. Industry engagement

Evelyn Partners made a formal response to FCA on the Sustainability Disclosure Requirements and investment labels (SDR), as well as providing input into PIMFA, the IA and TISA on the subject. A new wealth manager initiative organised by Cazenove on reducing carbon emissions was also attended and meetings continued into 2024.

## Section 3. Next steps

### ■ What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Responsible investment priorities:

We are in the process of implementing three responsible investment bottom-up priorities which are being given specific attention in our investment selection for direct investments and collectives, risk management, and stewardship activities. This has been greatly assisted by the emergence of new forms of disclosures by companies that continue to improve, and we have identified a series of KPIs that are being used to quantify our approach.

The three priorities are Environmental Resilience, Workplace Standards and Excellence in Governance. Environmental Resilience includes the examination of a company's business model in terms of its environmental footprint, including carbon, and its plans to adapt to the future, both in terms of risk mitigation as well as finding ways to generate revenues in climate related solutions.

Our social orientated theme is Workplace Standards, addressing the commitment of investee companies to maintaining acceptable conditions operationally and in their supply chain. We believe that fair and equitable policies form a foundation for ongoing productivity and success.

The final theme of Excellence in Governance comes with the expectation of a competent, independent, inclusive and committed board that aligns strategies with goals and with reasonable, long term remuneration terms. We expect them to have appointed credible management teams and make changes where necessary.

Training:

To support these enhancements, we are undertaking more training and communication on responsible investment with various teams. This includes RI analysts, direct or collective sector leads, fund managers and investment managers with clients with sustainability related preferences. In 2024 so far, the new director of responsible investment has provided in-person sessions across 8 offices, in addition to remote sessions, to ensure the understanding of new greenwashing regulations as well as our responsible investment approach.

New engagements:

We are planning to initiate direct engagements on these priorities over the next few years, both with companies directly, with our fund managers, or both. We will also explore the possibility of new collaborative engagements as and when they arise.

EEIDD extension:

We are also planning an extension of the Enhanced ESG Integration Due Diligence (EEIDD) process to all collectives currently rated as "top picks" or "positive" in our investment process to ensure we gradually increase level of due diligence we are conducting.

Minimum standards relating to UN PRI:

We have introduced a series of RI minimum standards for all collectives in our Monitored Universe in 2024, including the new policy that all new funds must now be UNPRI signatories. We will also be contacting the very small number of firms (less than 5) not reporting to UNPRI to encourage their participation, with escalation measures planned in the event of a poor response.

Strategic risk system including ESG system implementation:

Aladdin Wealth and Climate has been purchased by Evelyn Partners and the roll out is being actively managed with launch planned for 2025. The system has ESG and specific climate related capabilities which will further enhance our service to clients.

#### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Chris Kenny

Position

Chief Investment Management Director

Organisation's Name

Evelyn Partners Services Limited

#### ● A

**'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.**

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# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2023

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- (A) Yes
- (B) No



# ASSETS UNDER MANAGEMENT

## ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 59,842,381,331.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 15,391,918,668.00

## ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	19%	42%
(B) Fixed income	9%	8%
(C) Private equity	0%	0%
(D) Real estate	0%	1%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	9%	12%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Cash and other assets that do not fit in above categories.

**(I) Other - (2) Percentage of Externally managed AUM - Specify:**

Split between private equity, infrastructure, hedge funds and multi-asset funds. Unable to provide a granular breakdown of these assets.

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	90%	0%	75%	0%	0%
(B) Passive	10%	20%	5%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	0%	100%
(B) Listed equity - passive	0%	100%
(C) Fixed income - active	0%	100%
(D) Fixed income - passive	0%	100%
(F) Real estate	0%	100%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed listed equity	GENERAL

**Provide a further breakdown of your internally managed listed equity AUM.**

(A) Passive equity 0%

(B) Active – quantitative 0%

(C) Active – fundamental 100%

(D) Other strategies 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA 90%

(D) Active – corporate 10%

(E) Securitised 0%

(F) Private debt 0%

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PRIVATE	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

90%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%
(G) Real estate	(2) >0 to 10%

## STEWARDSHIP

### STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive	(6) Real estate	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

### STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input checked="" type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

**Percentage of your listed equity holdings over which you have the discretion to vote**

(A) Listed equity – active

(9) >70 to 80%

## STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

**Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.**

Stewardship, excluding (proxy) voting

(K) Other

Stewardship isn't conducted on cash.

(Proxy) voting

(M) Listed equity – passive

We do not currently vote on externally managed listed equity - passive.

# ESG INCORPORATION

## INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input type="radio"/>	<input checked="" type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Cash and other assets that do not fit in above categories.	<input type="radio"/>	<input checked="" type="radio"/>



## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Split between private equity, infrastructure, hedge funds and multi-asset funds. Unable to provide a granular breakdown of these assets.	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Split between private equity, infrastructure, hedge funds and multi-asset funds. Unable to provide a granular breakdown of these assets.	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Split between private equity, infrastructure, hedge funds and multi-asset funds. Unable to provide a granular breakdown of these assets.	<input checked="" type="radio"/>	<input type="radio"/>

## ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Externally managed  
(F) Other

All third-party collective investments that are formally monitored by sector specialists are subject to ESG-related due diligence as part of the overall coverage of the fund. Evelyn Partners collective investment analysts' due diligence cover topics including ESG integration, ESG risks and stewardship policies. Together with other sources of information, they contribute to the sector specialists' annual update meeting with the fund manager and their relative collectives.

In recognition of growing demand from clients for more discerning requirements and to reduce material ESG-related investment risks in our principal asset class, the Enhanced ESG Integrated Due Diligence (EEIDD) funds process was created in 2021 and further extended throughout 2022 and 2023. These collective investments have more stringent ESG integration (the explicit and systematic inclusion of ESG issues in investment analysis and investment decisions), which means they are more likely to be suitable for clients with strong ESG preferences. Any fund can be eligible for the EEIDD mark where ESG considerations are well embedded into the investment process and/or show a robust commitment to positive inclusion policies.

## ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

**Describe why your organisation does not currently incorporate ESG factors into your investment decisions and/or in the selection, appointment and/or monitoring of external investment managers.**

Internally managed

(E) Fixed income – SSA

Looking forward, we may enhance our incorporation of ESG factors in assets such as sovereign debt.

(O) Other

ESG factors not incorporated in cash.

# ESG STRATEGIES

## LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PRIVATE	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

### Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	100%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PRIVATE	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	100%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PRIVATE	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(2) Fixed income - corporate

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	100%
(E) Thematic and integration	0%
(F) Screening and thematic	0%

(G) All three approaches combined 0%

(H) None 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PRIVATE	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

**(2) Fixed income - corporate**

(A) Positive/best-in-class screening only 0%

(B) Negative screening only 0%

(C) A combination of screening approaches 100%

## ESG/SUSTAINABILITY FUNDS AND PRODUCTS

### LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PRIVATE	Labelling and marketing	1

**Do you explicitly market any of your products and/or funds as ESG and/or sustainable?**

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

1%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

**Additional information: (Voluntary)**

Our Sustainable Managed Portfolio Service (SMPS) is a UK-based range of strategies, in place since September 2011. The SMPS range provides financial advisers with access to a suite of sustainable discretionary investment management strategies to cater for different client risk and return objectives.

The Evelyn Active Portfolios (EAP) range is a series of unitised fund-of-funds, which includes the Evelyn Sustainable Portfolios. The original Sustainable EAP fund is classified as an Article 8 product under the EU Securities Finance Disclosure Regulation (SFDR), as the fund “promotes environmental and social characteristics”. The Evelyn Sustainable Cautious Portfolio (previously known as the Tilney Sustainable Portfolio) was crowned the Best ESG Investment Strategy in 2021 in the City of London Wealth Management Awards.

In December 2021, we launched the Evelyn Sustainable Adventurous Portfolio (previously known as the ‘Tilney Sustainable Adventurous Portfolio), a further addition to the EAP range. This portfolio is managed on a similar basis to the Sustainable Cautious fund but is aimed at retail investors seeking a long-term growth focused portfolio of investments which demonstrate strong ESG and sustainability credentials, with a marginally higher risk profile than the Sustainable Cautious Portfolio.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications



# SUMMARY OF REPORTING REQUIREMENTS

## SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
  - (B) Specific guidelines on human rights (may be part of guidelines on social factors)
  - (C) Specific guidelines on other systematic sustainability issues
- Specify:

Evelyn Partners assesses a wide range of sustainability risks as part of the investment analysis process. Some of these map across to the Principle Adverse Impact (PAI) indicators. However, the two lists are not mutually exclusive and we combine our approach to considering sustainability risks alongside monitoring and assessing PAI indicators. As part of our Due Diligence process, each company will be assessed based on its sector's material risks and relevant outcomes are recorded in the sector specialist research notes. Some of the risk factors we consider include: biodiversity and land use, packaging materials and waste, raw material sourcing, water stress, controversial sourcing, labour management, product safety and quality, corporate governance, corporate behaviour, etc.

In addition to the consideration of sustainability risks, we also consider and evaluate PAI indicators and the adverse impacts of investment decisions on sustainability factors, which include: activities negatively affecting biodiversity-sensitive areas, hazardous waste and radioactive waste ratio, exposure to areas of high water stress, violations to UN Global Compact principles and OECD Guidelines for Multinational Enterprises, unadjusted gender pay gap, board gender diversity, lack of supplier code of conduct, etc.

We extract the highest contributors per PAI indicator and identify any outliers on a specific PAI or across several PAIs. The Stewardship and Responsible Investment Group (SRIG) reviews PAIs on managed assets and reports are escalated to the relevant investment groups for direct investments and collectives for further analysis. These groups then decide on relevant actions to be taken, including referring to the Stewardship and Responsible Investment team (SRI) for further escalation and engagement with investee companies and fund managers.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

#### Which elements of your formal responsible investment policy(ies) are publicly available?

- (A) Overall approach to responsible investment

Add link:

<https://www.evelyn.com/media/bkrajxui/responsible-investment-policy-0524.pdf>

- (B) Guidelines on environmental factors

Add link:

<https://www.evelyn.com/media/m4jbmmxc/20240625-tcf-report.pdf>

- (C) Guidelines on social factors

Add link:

<https://www.evelyn.com/legal-compliance-regulatory/evelyn-partners-sustainable-disclosures/>

- (D) Guidelines on governance factors

Add link:

<https://www.evelyn.com/legal-compliance-regulatory/evelyn-partners-sustainable-disclosures/>

- (E) Guidelines on sustainability outcomes

Add link:

<https://www.evelyn.com/legal-compliance-regulatory/evelyn-partners-sustainable-disclosures/>

- (F) Specific guidelines on climate change (may be part of guidelines on environmental factors)

Add link:

<https://www.evelyn.com/media/m4jbmmxc/20240625-tcf-report.pdf>

- (G) Specific guidelines on human rights (may be part of guidelines on social factors)

Add link:

<https://www.evelyn.com/legal-compliance-regulatory/modern-slavery-and-human-trafficking-statement/>

(H) Specific guidelines on other systematic sustainability issues

(I) **Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://www.evelyn.com/group/corporate-responsibility/responsible-investing/>

(J) **Guidelines on exclusions**

Add link:

<https://www.evelyn.com/group/corporate-responsibility/responsible-investing/>

(K) **Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.evelyn.com/legal-compliance-regulatory/conflicts-of-interest-policy-statement/>

(L) **Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.evelyn.com/media/y4bn3wqu/srd-ii-engagement-policy-0524.pdf>

(N) Stewardship: Guidelines on engagement with other key stakeholders

(O) **Stewardship: Guidelines on (proxy) voting**

Add link:

<https://www.evelyn.com/media/efqlvb4u/evelyn-partners-voting-policy-0524.pdf>

(Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

(A) **Yes**

Elaborate:

Evelyn Partners is committed to ensure client views are met in our responsible investment approach. Our formal Responsible Investment Policy defines responsible investment as the practice of incorporating ESG factors into investment analysis alongside traditional financial factors, and the practice of active ownership/stewardship. The policy outlines the purpose and scope, roles and responsibilities, active ownership and engagement, climate risk management approach, and reporting and management information related to responsible investment. We also disclose our Voting Policy, Engagement Policy and Sustainable Disclosures Policy on our website as part of our suite of responsible investment-related policies. Our Stewardship Code report, which we disclose each year, also contains details of our fiduciary duty to our clients. This is part of our suite of responsible investment-related policies included in our PRI response.

Our fiduciary duty to our clients is at the forefront of managing their needs as well as contributing to the wider market and society. We are committed to fully integrating Responsible Investment (i.e. the combined activities of ESG integration and active ownership and stewardship) into our investment process and believe that stewardship is at the heart of our fiduciary duty to our clients. We have a strong sense of corporate responsibility, aiming to manage the impact of our business on people, suppliers, communities and the environment. Responsible investment is part of our fiduciary duty to our clients, as well as a regulatory requirement. The majority of our client portfolios are bespoke which allows each client to express their own responsible investment preferences.

It is our fiduciary duty to manage investment risk on behalf of our clients. By understanding clients' risk capacity and tolerance and making sure they understand and have the resources to withstand the risk loss from their chosen strategy, there is a reduction in the likelihood of poor outcomes or panic selling at times of market stress which in turn should reduce systematic risks.

Responsible investment is an important principle for the Group and plays a vital part in setting an agenda which considers ESG impact, policies, measures and metrics. Given the impact of non-financial factors on the long-term financial performance and risk profile of investments, we have integrated the consideration of these factors as a core component of our investment approach. However, we do not seek to impose a target for specific factors on our clients' portfolios, unless we are instructed to do so by individual clients.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation’s policy(ies) or guidelines on stewardship?**

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	
(B) Guidelines on environmental factors	(7) 100%
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

**What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?**

**AUM coverage**

(A) Specific guidelines on climate change	(2) for a majority of our AUM
(B) Specific guidelines on human rights	(2) for a majority of our AUM
(C) Specific guidelines on other systematic sustainability issues	(2) for a majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?**

**(A) Listed equity**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

**(11) 100%**

**(B) Fixed income**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%



- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(D) Real estate

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

Chief Investment Management Director

Focused on our investment clients; representing all things related to the stewardship and responsible investment process inputs/outputs which is overseen day to day by the Investment Process Committee (IPC).

We also have an ESG Board Committee and an ESG Group Executive Committee.

(C) Investment committee, or equivalent

Specify:

Stewardship & Responsible Investment Group (SRIG) and Investment Process Committee (IPC) which SRIG report to

(D) Head of department, or equivalent

Specify department:

Head of Charities, Head of Investment Process

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

- (A) Yes
- (B) No
- (C) **Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

- (A) **Internal role(s)**  
Specify:

Chief Investment Management Director, Head of Investment Process Committee, SRIG, Portfolio Managers, Investment Analysts, dedicated responsible investment staff.

- (B) External investment managers, service providers, or other external partners or suppliers
- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Describe: (Voluntary)

Evelyn Partners has a Board approved remuneration policy and structure which is aligned to its long-term sustainable success. Our remuneration strategy aims to deliver outstanding client outcomes and experiences, aid high performing colleague attraction and retention, and support profitable business growth.

The Group Executive Committee (GEC) all have ESG objectives, and the CEO and GEC member who leads the Responsible Investment pillar also has objectives related to Responsible Investment which forms part of incentive scheme.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

- (1) KPIs are linked to compensation
- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

All our Executive Committee members have ESG objectives built into their annual KPIs. Progress and achievement against these KPIs directly impact their variable remuneration.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="radio"/>	<input type="radio"/>

## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?**

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures
- (E) None of the above

Add link(s):

<https://www.evelyn.com/media/m4jbmxc/20240625-tcf-d-report.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)

Link to example of public disclosures

<https://www.evelyn.com/legal-compliance-regulatory/evelyn-partners-sustainable-disclosures/>

- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard
- (D) Disclosures against other international standards, frameworks or regulations

Specify:

TCFD

Link to example of public disclosures

<https://www.evelyn.com/media/m4jbmxc/20240625-tcf-d-report.pdf>

- (E) Disclosures against other international standards, frameworks or regulations

Specify:

UK Stewardship Code

Link to example of public disclosures

<https://www.evelyn.com/services/investment-management/stewardship/>

- (F) Disclosures against other international standards, frameworks or regulations

Specify:

CDP

Link to example of public disclosures

[https://www.cdp.net/en/responses/895253/Evelyn-Partners-Group-Limited?back\\_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fqueries%255Bname%255D%3DEvelyn%2Bpartners&queries%5Bname%5D=Evelyn+partners](https://www.cdp.net/en/responses/895253/Evelyn-Partners-Group-Limited?back_to=https%3A%2F%2Fwww.cdp.net%2Fen%2Fresponses%3Fqueries%255Bname%255D%3DEvelyn%2Bpartners&queries%5Bname%5D=Evelyn+partners)

(G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://www.evelyn.com/legal-compliance-regulatory/evelyn-partners-sustainable-disclosures/>

(B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

(C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

## STRATEGY

## CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**Which elements do your organisation-level exclusions cover?**

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements
- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**How does your responsible investment approach influence your strategic asset allocation process?**

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) **We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns**
- (F) Not applicable; we do not have a strategic asset allocation process



## STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?**

	(1) Listed equity	(2) Fixed income	(4) Real estate
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?**

As responsible investors we are committed to ensuring that we monitor and engage with investee companies on behalf of our clients. We are committed to improving the transparency of our reporting with the aim of enhancing and demonstrating value for our clients. We are active stock pickers so meeting and engaging with companies is a normal part of what we do. We believe that by voting and engaging with companies we can improve the outcome and ensure the investee company takes into consideration our concerns.

Our central investment strategy team identifies short, medium and long-term risks, including those posed by structural trends, such as climate change and digital conversion, together with the perennial concerns about interest rates, inflation, growth and geopolitical risks. The strategy team provides regular insight into our four megatrends that we believe will shape the next decade. Megatrends are powerful, disruptive forces that shape economies, businesses and societies. They drive innovation, steer investment and create new ideas. These themes include high level ESG factors and represent our responsible approach from a strategic level. The four megatrends are: 1) Shifting demographics, 2) Changing world order, 3) Bumpy energy transition, and 4) Technological revolution.

Weekly sector specialist meetings take place where each sector is analysed, and key material factors and controversies are flagged alongside engagements where relevant. Engagement priorities are discussed at regular Direct Investments Group (DIG) and Collective Investments Group (CIG) meetings, principally based on whether we think they are detrimental to the long-term valuation of the business. These engagements are led by the sector specialists and supported by the Stewardship & Responsible Investment (SRI) team and overseen by the Stewardship & Responsible Investment Group (SRIG).

As a firm with largely collective investments as the principal investment mechanism, we are cognisant of the need to ensure our resources are being used as efficiently as possible whilst engaging key issues of concern. We prioritise opportunities based upon the scope of the engagement and materiality of the issue on which the engagement is based with reference to our own direct holdings.

For direct holdings, over 80 sector specialists conduct in-depth research into UK and overseas equities by holding various meetings throughout the year, as well as undertaking media and other desk-based research. Collective analysts currently cover 500 funds across 16 sectors, including open ended funds, investment trusts and offshore specific funds. The analysts regularly meet with fund managers and closely monitor the performance of covered funds.

Additionally, we choose to take part in larger collaborative engagements through memberships of collaborative engagement platforms such as Investor Forum, Climate Action 100+, Corporate Mental Health Benchmark, Find it Fix it Prevent it, FAIRR, NA100, etc. Through these memberships we are able to engage more meaningfully with larger issuers where we represent shareholder minority.

While our investment team has long been active in looking beyond the financial statements of companies to make investments, in addition to our sector-specific non-financial risk framework, we now have identified three bottom-up priorities to inform our responsible investment process which are given specific focus for our investment selection, risk management and stewardship activities. This has been greatly assisted by the emergence of new forms of disclosures by companies that continue to improve. The three priorities are Environmental Resilience, Workplace Standards and Excellence in Governance.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Elaborate on your organisation’s default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

We choose to take part in larger collaborative engagements through memberships of collaborative engagement platforms such as Investor Forum and Climate Action 100+ to amplify the impact we can make. We are founding signatories to the Corporate Mental Health Benchmark and are also members of the Find it, Fix it, Prevent it modern slavery collaboration. During the past year we have also joined The Farm Animal Investment Risk and Return (FAIRR) initiative as well as Nature Action 100.

Through these memberships we are able to address various systemic risks and wider themes that we consider important, as well as to learn from industry peers. We have learnt that engaging in this way has not only enabled us to better hold boards accountable but also participate in various engagement meetings where companies are proactive and engage before making decisions. We are also able to engage more meaningfully with companies where we might otherwise represent a small shareholder minority. By speaking to companies with a unified voice, investors can more effectively communicate their particular concerns to corporate management. The result is typically a more informed and constructive dialogue.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Rank the channels that are most important for your organisation in achieving its stewardship objectives.**

- (A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**  
 Select from the list:  
 1
- (B) External investment managers, third-party operators and/or external property managers, if applicable**  
 Select from the list:  
 4
- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**  
 Select from the list:  
 5
- (D) Informal or unstructured collaborations with investors or other entities**  
 Select from the list:  
 3
- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**  
 Select from the list:  
 2
- (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

### How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

We are long term investors, with most clients receiving a bespoke service that allows them to exclude stocks and sectors or tilt portfolios towards desired outcomes. We are active stock pickers so meeting and engaging with companies is a normal part of what we do. Many of our clients are tax constrained which means that active engagement becomes even more important.

Investee companies are monitored on:

- Strategy
- Financial and Non-financial performance and risk
- Capital Structure
- Social, environmental impact and corporate governance

Evelyn Partners has adopted the approach of sustainability-related disclosures mandated by the EU in the Sustainable Finance Disclosure Regulation (EU 2019/2088). The Regulation includes provisions requiring relevant businesses to disclose to potential investors how sustainability risks are integrated into their investment decisions on sustainability processes and the due diligence performed on the principle adverse impacts (PAIs) of their investment decisions on sustainability factors. From a bottom-up perspective, our direct sector specialists identify the top 3-5 material ESG factors for each sector and use this to inform investment decision making. Where this reflects market-wide or systemic risks to certain sectors, this is considered and may impact investment recommendations.

Additionally, we believe that by engaging with companies we can ensure the investee company takes into consideration our concerns, thereby improving the outcome for our clients. Where we have concerns about the performance or strategy of an investee company or fund, or where we have reason to believe that our clients' rights as shareholders are being compromised in any way, we will, in appropriate circumstances, escalate our involvement with investee companies or the relevant fund manager. Whilst we do not believe in the micromanagement of management teams, in some cases we feel that it is necessary. This could include issues with board independence or remuneration. In cases such as these we would open a dialogue and write to the company/fund manager or meet directly with management to express our concerns.

In some circumstances we would be willing to act collaboratively. We choose to take part in larger collaborative engagements through memberships of collaborative engagements. Through these collaborations we are able to engage more meaningfully with larger issuers where we represent a small shareholder minority. Through our various collaborative engagement initiatives, we are able to address various topics and believe that this has a broad reach. We are able to engage on a wide range of ESG themes and are able to learn from our peers throughout the process as well as providing our own expertise to the engagements. We have learnt that engaging in this way has not only enabled us to better hold boards to account but also participate in various engagement meetings where companies are proactive and engage before making decisions.

In cases where we deem it necessary, we will abstain or vote against management resolutions. Where we abstain or vote against management resolutions, we always write to the Chair of the Board to explain our reasons. If a satisfactory response is not possible, we may look to escalate this further. Our escalation process would include, but is not limited to:

- Holding additional meetings with management specifically to discuss concerns, notably if management have been voted against three times
- Intervening jointly with other institutions on particular issues
- Submitting resolutions

- Meet directly with management to discuss concerns
- Disinvest if we felt that clients would be at a material disadvantage

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**If relevant, provide any further details on your organisation's overall stewardship strategy.**

The majority of the firm's AUM are invested in collective investments, which represent a core element in our investment approach. All third-party collective investments that are formally monitored by sector specialists are subject to ESG related due diligence as part of the overall coverage of the fund. Close to 100 collective investments analysts currently cover around 500 funds across 16 sectors, including open-ended funds, investment trusts and offshore specialist funds. Analysts meet with fund managers and closely monitor the performance of the monitored universe. Our collective investments analysts conducted 466 meetings with external managers in 2023.

Coverage includes a review of the fund managers' own responsible investment policies including adherence to the principles of the Stewardship Code and their UN PRI submissions where applicable. Evelyn Partners collective investments analysts cover topics including ESG integration, ESG risks and stewardship policies. Together with other sources of information, they contribute to the sector specialists' annual update meeting with the fund manager and their relevant collectives. We launched the Evelyn Partners Door Due Diligence Questionnaire (DDQ) in autumn 2022 and an enhanced ESG due diligence process called EEIDD in 2021 and both processes have been reviewed in 2023. These processes all work to inform our view of the collective investment managers' ESG approach prior to meetings, but, more importantly, act as points of engagement.

A significant development we have been working on in 2023 and are looking to implement throughout 2024 is the definition of Evelyn Partners RI priorities. Having identified three bottom-up priorities to inform our responsible investment process of Environmental Resilience, Workplace Standards and Excellence in Governance, the investment approach are in operation throughout Evelyn's investment process with the intention of mitigating risks and embracing opportunities across a wide universe. Looking at the "E", many of our investments benefit from climate transition or have their own net zero targets. We measure the portion in "green revenues" for each company as a key growth opportunity that has emerged in recent years. Similarly, we monitor what kind of net zero commitment a company has made, if any, as we see climate policy risk as a key challenge that management teams need to address. In "S" we focus on UN Global Compact violations, any risks of child labour in operations or the supply chain, and overall accident rates. For "G" the factors described above, together with an assessment of the proven ability of the management team, all serve to form our view.

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes

Select from the below list:

- (1) in all cases

- (2) in a majority of cases
  - (3) in a minority of cases
- (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear
  - Select from the below list:
    - (1) in all cases
    - (2) in a majority of cases
    - (3) in a minority of cases
  - (C) We ensure consistency with our voting policy by reviewing external service providers' voting recommendations only after voting has been executed
  - (D) We do not review external service providers' voting recommendations
  - (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How is voting addressed in your securities lending programme?**

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?**

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?**

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database

- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

(A) Yes, for all (proxy) votes

Add link(s):

<https://www.evelyn.com/media/dkambwkr/proxy-voting-report-q1-2024.pdf>

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale		
(B) Yes, we privately communicated the rationale to the company	(1) for all votes	(1) for all votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?**

We ensure that all votes have been cast as part of our Proxy Voting processes and procedures.

We use the following tools to accomplish this:-

- Proxy Voting Log



- Proxy Voting Control Sheets
- Glass Lewis - Viewpoint system
- Broadridge - Proxy Edge system

#### Proxy Voting Log:

We have a Proxy voting Log which we record all meetings on, when the votes have been cast, the meetings are summarily moved to a closed tab. A reconciliation is completed daily within the team to ensure all votes have been cast.

#### Proxy Voting Control Sheets:

We use checklists for all voting (we cover both Discretionary voting through our colleagues in the Proxy Voting Working Group, and Execution only votes that we receive on an ad-hoc basis)

#### Glass Lewis (Viewpoint system):

We receive Daily Alerts from the Viewpoint system which highlights the voting Status of all meetings, we can also check the system itself to ensure votes have been cast.

If Glass Lewis recommendation is against management proposals we send these to the Proxy Voting Working Group for review. All meetings where Glass Lewis propose 'For' in line with Management, will be processed automatically.

#### Broadridge (Proxy Edge system):

We receive vote confirmation emails from Broadridge which reflect our voted positions for votes we have cast. The vote status section on the Proxy Edge system will also confirm the vote.

Both Broadridge and Glass Lewis are able to confirm that all meetings have been voted on.

## STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

### (1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one



(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal



(C) Publicly engaging the entity, e.g. signing an open letter



(D) Voting against the re-election of one or more board directors



(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director



(F) Divesting



(G) Litigation



(H) Other



(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
  - (B) We responded to policy consultations
  - (C) We provided technical input via government- or regulator-backed working groups
- Describe:

Evelyn Partners has consulted with IA, TISA and PIMFA to help improve sustainability-related disclosures and proposed regulation. In 2023, we contributed to the IA response to the European Commission's review of SFDR and the ICMA/FCA Draft Code of Conduct for ESG Ratings and Data Providers. We are members of PIMFA's Sustainability Working Group and regularly contribute to PIMFA's policy initiatives. Important work was conducted on our contribution to the consultation on FCA Sustainability Disclosure Requirements and Labels regime in 2022 and culminated in input by Evelyn Partners into PIMFA's and also the IA's SDR final responses submitted in January 2023. We also actively participated with TISA's response to the HMT consultation on the regulatory regime for Environmental, Social and Governance (ESG) ratings providers (June 2023).

**(D) We engaged policy makers on our own initiative**

Describe:

Evelyn Partners responded directly to the FCA's consultation on Sustainability Disclosure Requirements and Labels regime (CP 22/20) in January 2023 (alongside input into industry working groups - see above), which supported the aims of the SDR regime, and made recommendations to improve both the clarity or regulatory requirements and application of the regime to discretionary wealth managers.

(E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

**During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?**

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers
- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year**

Explain why:

In 2023, we engaged with both UK and EU public policy makers (regulators) indirectly via industry trade associations (i.e. The Investment Association, PIMFA, and TISA) as noted in PGS 39.1. Details of our own response to FCA regulatory consultations were confidential and not made publicly available. However, the input we made into the various trade body regulatory consultation responses were consistent with feedback from the overall wealth and asset management industry to help improve sustainability-related disclosures and proposed regulation, in order to provide further clarify the intent and address specific rules to assist in the practical implementation of proposed regulations.

## STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

**Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.**

(A) Example 1:

Title of stewardship activity:

SBT and CDP Engagement

(1) Led by

- (1) Internally led**

(2) Primary focus of stewardship activity

- (1) **Environmental factors**
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) **Listed equity**
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In 2023, we initiated a project to encourage investee companies with high levels of carbon emissions within their operations and low GHG emissions disclosure practices to raise their ambition. We identified the companies we actively monitor from the three most carbon intensive sectors of energy, materials, and utilities. We focused on companies that did not have a Science Based Target (SBT), had not committed to work on a SBT or we not disclosing to CDP. We sent a letter to the companies, asking questions around their climate performance including: whether management (with board oversight) identified climate-related risks and opportunities to their business and considered mitigation plans and if companies were planning to increase revenue or R&D into climate change solutions. We received a series of early responses in late 2023 and will continue with this engagement plan in 2024.

(B) Example 2:

Title of stewardship activity:

Collaborative engagement on modern slavery

(1) Led by

- (1) Internally led
- (2) **External service provider led**
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) **Social factors**
- (3) Governance factors

(3) Asset class(es)

- (1) **Listed equity**
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

As part of the Find it, Fix it, Prevent it investor coalition on tackling modern slavery, we engaged with companies in the construction sector on their approach to modern slavery, acting as lead engager for Balfour Beatty. In 2023, we wrote to the company asking for a meeting to discuss their approach to modern slavery. We specifically asked if the company had found modern slavery in its operations or supply chains in the past year and if not, if they were able to demonstrate they have rigorous processes in place to look for it. We had a call with the company to discuss various topics including internal and external audits, creating clearer policies, and targeted training.

(C) Example 3:

Title of stewardship activity:

Collaborative engagement on remuneration and governance issues around board succession

(1) Led by

- (1) Internally led
  - (2) External service provider led
  - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
- (1) Environmental factors
  - (2) Social factors
  - (3) Governance factors
- (3) Asset class(es)
- (1) Listed equity
  - (2) Fixed income
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other
- (4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

As part of the Investor Forum, we engaged with Vistry Group plc due to controversies around the remuneration policy and wider governance issues around Board succession. The objective of the engagement was to ensure a broad based debate on management incentives, and to convey to the Board views from across the shareholder base about capital distribution and long-term value creation.

The Investor Forum wrote to the Chair to outline a range of investor perspectives to help inform the board's next steps following the AGM outcome which saw a 47% vote against the remuneration report. The participants met with the Chair to discuss issues raised, providing input into the company's extensive engagement to inform revisions to the remuneration approach and the company's distribution policy. Following the General Meeting voting outcomes and results announcement, The Investor Forum wrote another letter to the Chair to provide further feedback, noting that participants supported the new strategy and were keen to see concerns over board composition and appointments to key roles addressed before Chair succession was pursued.

The objectives of sending a clear message and facilitating a debate to ensure that the views of the long-term institutional shareholder had been heard were met. The company consulted widely with shareholders to understand perspectives on capital allocation. Board governance issues came increasingly into focus as the engagement proceeded and the implications of the various changes became apparent.

(D) Example 4:

Title of stewardship activity:

Direct engagement following a vote

- (1) Led by
- (1) Internally led
  - (2) External service provider led
  - (3) Led by an external investment manager, real assets third-party operator and/or external property manager
- (2) Primary focus of stewardship activity
- (1) Environmental factors
  - (2) Social factors
  - (3) Governance factors
- (3) Asset class(es)
- (1) Listed equity
  - (2) Fixed income
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other
- (4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Following on from a recommendation received from our proxy advisors, we were advised to vote against a member of the board for insufficient board gender diversity at their AGM. The nominee served as chair of the nominating/corporate governance committee and it was the responsibility of that committee to either disclose a rationale for the board's insufficient gender diversity or a timeline for addressing the issue. In order to make a decision, we needed further information, so our lead analyst on the stock, set up a meeting with the Director of Investments at the company to discuss the matter. The company did not subscribe to the Glass Lewis research and did not understand the recommendation to vote against a female board member as it would be a hindrance rather than making positive progress in this area, as they were looking to have more women on the Board.

Outcome: We agreed that it would be counter intuitive to vote against a female board member which would ultimately lead to less female representation on the board. We discussed a need for more transparency surrounding the progression towards gender diversity on the board. Accordingly, we did not vote against, despite the recommendation of our proxy advisors.

(E) Example 5:

Title of stewardship activity:

Listed real estate fund's approach to ESG integration and engagements

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In April 2023, our analyst met with the manager of this global fund investing in listed real estate securities. The fund aimed to provide capital growth over the long term by investing in the quoted equity securities of real estate investment trusts (REITs) and real estate-related companies listed on regulated exchanges around the globe.

The fund's core philosophy is centred around a belief and conviction in the need for a truly active approach to managing assets in the sector. The fund team had thoughtfully integrated ESG analysis into their process, identifying key areas of focus they believed would have meaningful impact on longer term returns, placing significant weight on company engagements to understand ESG credentials and actively promoting positive change that would foster sustainable growth. A key step in the fund's

investment valuation framework was the use of a quality scorecard which measured companies in terms of management, ESG, balance sheet quality, asset quality, thematics, and trading liquidity. Company engagement formed a key pillar in the fund management team's approach to understanding ESG credentials and actively promoting positive change that would foster sustainable growth. The team sought to proactively meet with senior management of most companies at least once a year and with supervisory boards, where applicable. Given the team's global presence, they were able to build strong relationships with management and enhance their engagement capabilities. The team committed to a minimum of 10% of companies within the portfolio to having approved or committed carbon emission reduction targets and actively engaged with companies to encourage the adoption of science-based targets or a verified commitment to adopt science-based targets. The team communicated that they

would continue to monitor the progress of these companies against those targets.

Outcome: The fund's approach to ESG integration and engagement in the property sector highlighted a solid approach to active ownership in line with our expectations. Our analyst's view of the fund remained favourable and the fund maintained a positive rating on our collectives monitored universe.

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

### Has your organisation identified climate-related risks and opportunities affecting your investments?

**(A) Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Our strategy has been developed following identification of our climate-related risks and opportunities. Our assessment of the risks and opportunities included consideration of both the physical and transition risks associated with climate change. Our Group has identified the following timeframes - short term: 0 to 3 years, medium term: 3 to 10 years, long term: 10+ years. The main climate risks and opportunities are outlined below:

Physical risk (Medium-to-long-term)

-Acute - Increased severity of extreme weather events; failure of national infrastructure (electricity, internet)

-Chronic - Extreme variability of weather patterns and reduced predictability of weather; rising mean temperatures and rising sea levels; energy and water security

Transitional risk - technology (Long-term)

-Costs of investing or adapting to digital technology, particularly investment in the custody and investment systems to embed responsible investment into our investment processes

-Increased requirement to recycle outdated technology

-Risk of underestimating the costs and resources of the technology and its implementation

Transitional risk - market (Long-term)



-Changing client awareness and behaviours

-More specific information demanded from clients, particularly for Financial Services clients

Transitional risk - reputation (Medium-to-long-term)

-Changes in consumer preferences

-Increased stakeholder concern or negative stakeholder feedback

Products and services (Medium-to-long-term)

-Expansion of sustainable investment services and products

-Opportunity to offer new Professional Services to support clients through their journeys to Net Zero

Markets (Medium-to-long-term)

-More frequent engagements with out investment and financial planning clients as we assess their ESG preferences. This will further strengthen our client relationships

-The availability of further sustainable products and services across all our business sectors

-Opportunity to strengthen the Evelyn Partners brand across wider markets and ensure clients are aware of our broad range of products and services

Resilience (Medium-to-long-term)

-Adoption of energy efficient measures

-Resource substitutes/diversification

100% of our monitored universe has climate-related risks and opportunities integrated into the recommendation process, with the vast majority of holdings in-house being derived from this universe. Climate-related factors are reviewed from the bottom up, looking at every component of the portfolio. This also recognises the importance of climate for the long-term viability of an investment.

Additionally, forward-looking risk measurements, such as climate-related scenario analysis, offer a method of assessing the impact of the transition to a low-carbon economy together with physical risks on investments. The preparation of our 2023 TCFD Report included a series of engagements with MSCI to understand the calculations behind scenario analysis using specific examples of underlying holdings. This has demonstrated that, when used at a sector level, the results can provide interesting relative insights.

- (B) Yes, beyond our standard planning horizon
- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

**● (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Our strategy has been developed following the identification of our climate-related risks and opportunities. Our assessment of the risks and opportunities includes consideration of both the physical and transition risks associated with climate change.

How climate-related risks and opportunities are factored into relevant products or investment strategies:

Discretionary and Advisory Services:

Our business is driven by the needs of our clients. Clients may ask us to factor specific climate-related preferences into their portfolios. For clients who do not specify a climate-related preference, our discretionary portfolio service applies a responsible investment approach to all portfolios, based on our standard investment strategy, which integrates the consideration of ESG factors into our investment decisions and stewardship actions. The investment strategy team uses top-down analysis to track the 'energy transition' to a low carbon economy as part of its megatrends review for insights into long-term asset allocation.

Investment managers have access to climate metrics such as GHG, WACI and carbon footprint. In addition, they use third-party research tools and databases for ESG data and climate-related risks and opportunities. These metrics are for advisory purposes only given that the Group does not set limits or targets for client portfolios. These tools also allow portfolios to be tailored according to individual client preferences, including screening ESG attributes, restrictions, best-in-class investments for securities and investments with sustainable themes.

Products:

The EAP Sustainable Portfolios and Sustainable Managed Portfolio Service (SMPS) use both positive and negative screening, with ethical and sustainable objectives as part of their core investment thesis and fund selection criteria. Their investment approach focuses on funds with sustainability themes which actively engage and invest in companies that operate in those areas. These portfolios also aim to avoid investing in companies with products or services that have a negative environmental or social impact.

The Sustainable EAP fund is classified as an Article 8 product under the SFDR, as the fund "promotes environmental and social characteristics", including climate-related factors.

The SMPS range provides financial advisers with access to a suite of sustainable discretionary investment management strategies, which include climate-related factors.

How each investment strategy or product might be affected by the transition to a low-carbon economy:

We expect the disclosure and quality of transition plans to increase in the future as these become more widely adopted. The UK Transition Plan Taskforce's best practice Disclosure Framework and standards for building credible and robust climate transition plans are expected to become mandatory for UK listed companies. These standards should help improve consistency and help companies to better articulate the impact of climate change as well as the resilience of their business models and strategy in the transition to a low carbon economy.

Forward-looking risk measurements such as Climate Value at Risk (CVaR) offer a method of assessing the impact of the transition on investments. CVaR, however, traces just one pathway through a given scenario to 2100. It is not a forecast across all scenarios. Notwithstanding this, it is a useful measure to identify resilience across climate scenarios and to compare investments within the same sector. We identified carbon intensive sectors in 2023 based on WACI and will extend this to include CVaR in 2024. Companies are also evaluated by sector specialists to identify if high emitters can offer a positive role in the transition to a low-carbon economy. For example, those companies with a significant capital base combined with growing green revenues from investment in renewable energy and low carbon solutions.

For further details on how we integrate climate risks and opportunities in our investment process and strategy, including climate scenario analysis and the potential impact on our discretionary AUM using CVAR, are outlined in our TCFD report for the year ended 31 December 2023 (<https://www.evelyn.com/media/m4jbmxc/20240625-tcf-report.pdf>)

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

**Which sectors are covered by your organisation’s strategy addressing high-emitting sectors?**

**(A) Coal**

Describe your strategy:

We initiated a project to encourage investee companies with high levels of carbon emissions within their operations and low GHG emissions disclosure practices to raise their ambition. We identified companies we actively monitor in the sectors of energy, utilities, and materials. We focused on companies that did not have a Science Based Target (SBT), had not committed to work on a SBT or were not disclosing to CDP. We sent letters to the companies and received a series of early responses in late 2023 and will continue with this engagement plan in 2024.

Evelyn Partners has also adopted the approach of sustainability-related disclosures mandated by the EU in the SFDR. The Regulation includes provisions requiring relevant businesses to disclose to potential investors how sustainability risks are integrated into their investment processes and the due diligence performed on the Principle Adverse Impacts (PAIs) of their investment decisions on sustainability factors. From a bottom-up perspective, our direct sector specialists identify the top three to five material ESG factors for each sector and use this to inform investment decision making. Where this reflects market-wide or systemic risks to certain sectors, this is considered and may impact investment recommendations. Our investment managers and sector specialists have regular engagements with the companies in which our clients invest. Regular informal communication and more formal discussions, including discussions about ESG factors relevant to each company, plus use of research tools, help us manage and reduce risk.

The PAI indicators we monitor and evaluate to support mapping potential risks to sectors include:

- Scope 1-3 GHG Emissions
- Total GHG Emissions
- Carbon footprint
- GHG intensity of investee companies
- Share of investments in companies active in the fossil fuel sector
- Share of non-renewable energy consumption and production
- Energy consumption intensity per high impact climate sector

**(B) Gas**

Describe your strategy:

See answer above.

**(C) Oil**

Describe your strategy:

See answer above.

**(D) Utilities**

Describe your strategy:

See answer above.

**(E) Cement**

Describe your strategy:

See answer above.

**(F) Steel**

Describe your strategy:

See answer above.

**(G) Aviation**

Describe your strategy:

See answer above.

**(H) Heavy duty road**

Describe your strategy:

See answer above.

**(I) Light duty road**

Describe your strategy:

See answer above.

**(J) Shipping**

Describe your strategy:

See answer above.

**(K) Aluminium**

Describe your strategy

See answer above.

(L) Agriculture, forestry, fishery

**(M) Chemicals**

Describe your strategy:

See answer above.

**(N) Construction and buildings**

Describe your strategy:

See answer above.

**(O) Textile and leather**

Describe your strategy:

See answer above.

**(P) Water**

Describe your strategy:

See answer above.

(Q) Other

- (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios**

Specify:

We applied MSCI's Climate Value at Risk (CVaR) methodology to our discretionary managed assets as of 31 December 2023 to assess their resilience to climate change. This methodology recognises climate change effects can be translated into balance sheet impact, therefore providing insight into the potential valuation change from climate change per security and per scenario. CVaR assesses transition and physical risks and opportunities through the aggregation of three pillars:

Physical risk CVaR: i.e. damage to infrastructure from extreme weather events

Policy risk CVaR: i.e. imposition of carbon-related taxes

Technology opportunities CVaR: i.e. development of low carbon technologies arising from the transition

The impact of five scenarios was computed to present a wide range of possible outcomes. These were taken from the six scenarios developed by the Network for Greening the Financial System (NGFS), of which MSCI tools supports five.

-1.5C/NGFS/Orderly: an ambitious scenario that limits global warming to 1.5C through stringent climate policies and innovation, reaching net zero CO2 emissions around 2050. Major jurisdictions, including the UK, US, EU and Japan, aim to reach net zero for all GHGs by this point

-1.5C/NGFS/Disorderly: reaches net zero by 2050 but with higher costs due to divergent policies introduced across sectors and a quicker phase out of fossil fuels

-2C/NGFS/Orderly: gradually increases the stringency of climate policies, giving a 67% chance of limiting global warming to below 2C

-2C/NGFS/Disorderly: assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2C. Negative emissions are limited

-3C/Hot House World/Nationally Determined Contributions (NDCs): includes all pledged policies even if not yet implemented

Climate scenario analysis was not used for the purposes of asset allocation or portfolio construction during 2023. We are reviewing its applicability and effectiveness in 2024

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

**(A) Yes, we have a process to identify and assess climate-related risks**

(1) Describe your process

Material climate-related risks are identified as part of our investment process which is common to all products and services. The identification and assessment process covers ESG risks, of which climate is one example, in two forms:

- i. sustainability risks. These are the risks to investments from climate change
- ii. Principle Adverse Impacts (PAIs). These include key risks to the climate caused by the activities of investee companies

Throughout 2023, the Evely Partners' proprietary Responsible Investment Dashboard has been available to sector leads along with MSCI's ESG Manager, and the former has since been rolled out to all investment managers. These tools provide data on a variety of climate risks as well as core TCFD historical metrics, including WACI. Further data such as CVaR will be made available to the sector leads in due course.

The investment process also relies on research both at the macroeconomic level and for individual security selection to our monitored universe of securities available to investment managers for portfolio construction.

Macroeconomic research:

The research team monitors emerging risks, geopolitical developments, and identifies important long-term trends that may span geographies. This themed approach supports timely identification of systemic issues and supports our commitment to stewardship and responsible investment. Following an enhancement of our central resources, in 2021/22 the team started to provide regular insights into four megatrends that may shape the next decade. Megatrends are powerful, disruptive forces that shape economies, businesses and societies. They drive innovation, steer investment and create new ideas. These themes include high level environmental, social and governance factors and represent our responsible approach from a strategic level:

- Shifting demographics
- Changing world order and risk to financial systems
- Accelerated energy transition and encouraging enhanced climate disclosures
- Technological revolution

Security selection:

The investment process varies between direct investments and collectives.

Direct investments

The research team uses third-party research, some primary research, and company meetings. All direct equities considered by our investment process have a rating which encapsulates MSCI's rules-based assessment of the key environmental, social and governance risks and opportunities that could affect its value. The climate and nature-related risks and opportunities we consider as part of our sector analysis are as follows:

- Climate change vulnerability
- Biodiversity & land use
- Carbon emissions
- Electronic waste
- Financing environmental impact
- Packaging materials & waste
- Product carbon footprint
- Raw material sourcing
- Toxic emissions & waste
- Water stress
- Opportunities in clean tech
- Opportunities in green building
- Opportunities in renewable energy

A further quarterly review of climate-related risks is undertaken by our research teams for sectors which have climate risks in their top five material risks.

#### Collectives

The research teams monitor a selection of multi-asset funds which then can be used to construct and maintain suitable portfolios. Due diligence is taken on each fund under the following headings:

- Industry bodies
- Investment policy
- Investment process
- ESG resource
- Stewardship
- Principle Adverse Impacts (PAIs)

As part of the due diligence process, the research team considers each fund's approach to sustainability risks and factors, as well as their impact through PAI indicators, which are as follows:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in fossil fuel sector
- Share of non-renewable energy consumption and production
- Energy consumption intensity per high impact climate sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio
- Investments in companies without carbon reduction initiatives

Additionally, we have applied MSCI's Climate Value at Risk (CVaR) methodology to our discretionary managed assets as of 31 December 2023 to assess their resilience to climate change. This methodology recognises that climate change effects can be translated into a balance sheet impact, therefore providing insight into the potential valuation change from climate change per security and per scenario. CVaR assesses both transition and physical risks and opportunities through the aggregation of three underlying pillars:

- Physical risk CVaR
- Policy risk CVaR
- Technology opportunities CVaR

(2) Describe how this process is integrated into your overall risk management

Through material risk assessments and regular engagement with our investee companies on ESG and climate, plus use of research tools, the sector specialists are able to address and manage risk and also recognise the importance of climate for the long-term viability of an investment.

Through our Proxy Voting we have also identified and voted in line with various climate related Shareholder Proposals.

If we had serious concerns on any of these issues, we would consider escalating in line with our escalation process.

**(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process



Our management consists of data gathering and developing a better understanding of investee company plans combined with engagement and voting. In 2023, we have focused on gathering historic data on emissions which form part of our discretionary assets and providing investment managers with the ability to view GHG metrics on their portfolios.

Our strategy has been developed following the identification of our climate-related risks and opportunities. Our assessment of the risks and opportunities included consideration of both the physical and transition risks associated with climate change. Below are various risks identified affecting our investments and mitigating actions our organisation has taken to manage these risks.

#### Physical risk

-We have invested in tools to provide data on the climate-risks of products and to inform our investment strategy in 2024 and beyond. This included third-party research tools and databases to provide our investment managers with core ESG data. The Group also invested in a TCFD Enhanced Climate Metric product and our managed reporting service

-We have invested in tools to provide data on the climate-risks of suppliers to inform our supply chain strategy in 2024 and beyond. We partnered with an ESG and credit risk assessment provider to expand our ESG assessments and help monitor ESG risks within the supply chain, provide training to and work with our suppliers to reduce ESG risk

#### Transitional risk - technology

-Continued investment in expertise of new technologies to adapt to increasing regulatory, client and market requirements

-Investment in digital technology to support hybrid working and to new products and services

#### Transitional risk - market

-We offer clients the ability to diversify their investments over a wide range of sectors, asset classes and geographies and factor ESG and climate risk into our responsible investment approach

-We have enhanced the data available to aid assessment of risks and opportunities for clients

#### Transition risk - reputation

-Ensure the ability to efficiently and effectively measure clients' preferences

-We continue to strive towards obtaining specific ESG credentials, and are transparent in our reporting. Our strategic focus on deepening our relationship with clients and our ability to offer a tailored solution puts us in a strong position to meet client needs

#### Markets and Products and Services

-Offering of SMPS and Evelyn Active Portfolios (EAP) Sustainable Portfolios

As responsible investors, the Group practices stewardship and active ownership through regular engagement with companies. This takes the form of informal discussions as well as more formal voting and collaborative engagement. Through this, the aim is to improve environmental, social, and governance performance of companies, along with their stakeholder interests.

(2) Describe how this process is integrated into your overall risk management

ESG and climate risks are identified, processed, assessed and managed in the same way as all other group risks and are integrated into Evelyn Partners Group's overall RMF.

The GEC plays an important role in identifying and understanding ESG and climate-related risks and opportunities, and in formulating management actions to monitor and mitigate any identified risks. The GEC agree the approach to existing and emerging climate-related regulation as part of this process.

During 2023, ESG was assessed as a 'top risk' and a key focus for the Board. Top risks are those deemed to be the most significant risks and are monitored and reviewed at Board level and Executive level.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?**

**(A) Exposure to physical risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - **(3) Metric or variable used and disclosed, including methodology**
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 

<https://www.evelyn.com/media/m4jbmmxc/20240625-tcf-report.pdf>

**(B) Exposure to transition risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - **(3) Metric or variable used and disclosed, including methodology**
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 

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(C) Internal carbon price

**(D) Total carbon emissions**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - **(3) Metric or variable used and disclosed, including methodology**
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 

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**(E) Weighted average carbon intensity**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - **(3) Metric or variable used and disclosed, including methodology**
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 

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(F) Avoided emissions

**(G) Implied Temperature Rise (ITR)**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.evelyn.com/media/m4jbmmxc/20240625-tcf-report.pdf>

- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.evelyn.com/media/m4jbmmxc/20240625-tcf-report.pdf>

- (J) Other metrics or variables

Specify:

Carbon Footprint - The Carbon footprint is calculated by taking the Scope 1 and 2 emissions apportioned to our investment portfolio as explained in Note 1, expressed as a proportion of the relevant enterprise value of each component of the portfolio. The Carbon footprint measures the emissions generated for each million dollars invested.

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

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- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

- (A) Scope 1 emissions
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) Metric disclosed
    - (2) Metric and methodology disclosed
  - (2) Provide links to the disclosed metric and methodology, as applicable

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- (B) Scope 2 emissions
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) Metric disclosed
    - (2) Metric and methodology disclosed
  - (2) Provide links to the disclosed metric and methodology, as applicable

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- (C) Scope 3 emissions (including financed emissions)
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

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- (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement**
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
- (E) The EU Taxonomy**
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)**  
Specify:  
EU SFDR PAI
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

**What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?**

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

**Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?**

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

## HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

**During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Evelyn Partners is part of the Find it, Fix it, Prevent it investor coalition on tackling modern slavery. The initiative expanded to target the construction sector, as one of the sectors with the highest incidences of modern slavery. In 2023, we engaged with companies in the construction sector on their approach to modern slavery, acting as lead investor on Balfour Beatty. We wrote to the company asking for a meeting to discuss their approach to modern slavery. We specifically asked if the company had found modern slavery in its operations or supply chains in the past year and if not, if they were able to demonstrate they have rigorous processes in place to look for it. We had a call with the company to discuss various topics including internal and external audits, creating clearer policies, and targeted training.

(B) We assessed whether individuals at risk or already affected might be at heightened risk of harm

**(C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts**

Explain how these activities were conducted:

Evelyn Partners joined a seasonal workers scheme collaborative engagement programme to engage with companies on their use of goods procured through the use of the seasonal workers scheme (SWS).

The SWS was launched in 2019 and allows employers in the horticultural and poultry production sectors to recruit overseas workers, they are allowed to do certain types of work (such as crop harvesting) in edible and ornamental horticulture for up to six months in any year.

We are concerned that migrant workers in the UK, recruited and employed through SWS operators, are being obliged to pay illegal fees to agents and middlemen in addition to other fees. The payment of recruitment fees, often only made possible by taking out excessive loans at high interest rates or by signing over assets and property, can mean that workers are left in a position of debt bondage, and therefore at high risk of forced labour across the horticulture sector in the UK.

We believe that there should be a well-designed and robust process for the recruitment and employment of seasonal workers in the UK food system. We believe that without further intervention more and more workers are at risk.

We worked with CCLA and various human rights experts - this collaboration is ongoing.

(D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities

(E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) Workers**

Sector(s) for which each stakeholder group was included

(1) Energy

**(2) Materials**

- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate
- (B) Communities
- (C) Customers and end-users
- (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?**

(A) Corporate disclosures

Provide further detail on how your organisation used these information sources:

Though our work with Find it, Fix it, Prevent it we reviewed various modern slavery statements and used these to form the basis of our engagements with companies on the issue of modern slavery within the UK construction industry. Additionally, as part of sector specialist roles and as part of the collectives due diligence questionnaire, we review corporate disclosures.

(B) Media reports

Provide further detail on how your organisation used these information sources:

As part of our ongoing work on the Seasonal Worker Scheme we regularly reviewed media reports that were relevant to this ongoing engagement. Additionally, as part of sector specialist roles and as part of the collectives due diligence questionnaire, we review media reports.

(C) Reports and other information from NGOs and human rights institutions

(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

(E) Data provider scores or benchmarks

Provide further detail on how your organisation used these information sources:

We used MSCI ESG Manager research in our analysis as part of our ongoing work with Find it, Fix it, Prevent it and Seasonal Workers Scheme collaborations. MSCI controversies and various reports.

(F) Human rights violation alerts

Provide further detail on how your organisation used these information sources:

MSCI flags/PAI

(G) Sell-side research

Provide further detail on how your organisation used these information sources:

We subscribe to various sell side research providers to enable us to research the companies that are part of the collaborations we are involved with.

(H) Investor networks or other investors

Provide further detail on how your organisation used these information sources:

We have worked collaboratively with Find it, Fix it, Prevent it, the Seasonal Workers Scheme and the Investor Forum.

(I) Information provided directly by affected stakeholders or their representatives

(J) Social media analysis

(K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?**

**(A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities**

Describe:

Through our work with the Seasonal Workers Scheme, there are plans to engage with the British Retail Consortium regarding how supermarkets use the SWS. Our work with the SWS is ongoing and will continue into 2024.

**(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

Through our work with Find it, Fix it, Prevent it, we acted as lead engager for Balfour Beatty and Persimmon. We had meetings with both companies to discuss their approach to modern slavery. This engagement is ongoing and in 2024, we will review both company's modern slavery statements and continue discussion around areas for improvement.

(C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year



# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
<b>Organisation</b>			
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>			
(D) Adequate resourcing and incentives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Investment Process</b>			
(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Stewardship</b>			
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(O) Results of stewardship activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Performance and Reporting</b>			
(P) ESG disclosure in regular client reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

**Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?**

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) **Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers**

## POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

**If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.**

**Provide example(s) below**

ESG analysis is integrated into our collective investment research process and the assessment takes mainly in the form of a qualitative approach supported by quantitative data and reports from MSCI ESG Manager and Morningstar Direct/Sustainalytics. In 2022, Evelyn Partners Active Fund Framework was launched to provide additional guidance to collective investment sector specialists for their selection of 'best-of-breed' funds.

(A) Selection

Our exclusive fund selection framework helps us identify exceptional fund managers by focusing on the following ten most important considerations:

- Best-in-class
- Well-defined
- Unconstrained
- Disciplined
- Proven
- Aligned
- ESG-conscious
- Appropriately structured
- Suitably resourced
- Good value

This framework supports the sector specialists in identifying a selection of high-quality funds within their sector, which are representative of a variety of styles on offer.

The main elements they evaluate include: the strategy (including its longevity), the approach to incorporating ESG considerations, the consistency and quality of the historic track record, all costs, and the liquidity (of the fund and the underlying investments).

For each new monitored fund, Sector Specialists complete a Recommendation Note and an Update Note following each meeting with the manager or representative. Update Notes should be completed at least annually.

To reinforce our due diligence process on collective investment managers, we signed up to Door, the global due diligence and risk management platform. The questionnaire on the Door platform contains a series of detailed questions for fund managers and provides us with consistent data for comparisons and monitoring.

In 2023, we reviewed our initial DDQ in Door to streamline some of the questions, including all ESG-related questions. As part of this review we ensured that SFDR and TCFD considerations were incorporated, as well as adding proprietary question of Paris alignment and green revenue generation.

(B)  
Appointment

See above.

In recognition of a growing demand from clients for more discerning requirements and to reduce material ESG-related investment risks in our principal asset class, the Enhanced ESG Integration Due Diligence (EEIDD) funds process was created in 2021 and further extended through 2022 and 2023.

(C) Monitoring

All third-party collective investments that are formally monitored by Evelyn Partners sector specialists are subject to ESG due diligence as part of the overall coverage of the fund. Analysts regularly meet with fund managers and closely monitor the performance of the monitored universe. Our collective investments analysts conducted 466 meetings with external managers in 2023. Evelyn Partners collective investment analysts' due diligence cover topics including ESG integration, ESG risks and stewardship policies. Together with other sources of information, they contribute to sector specialists' annual update meeting with the fund manager and their relevant collectives. They subsequently document the outcomes from those engagements in an Update Note. These are published on our RI Hub for wider dissemination to investment managers.

Where a fund falls short in any of these areas, analysts review the fund for a rating downgrade or a removal from coverage. Any change in the rating due to concerns around these factors is communicated with the fund manager and will include suggestions for improvement.

## SELECTION

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

**During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?**

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

**During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?**

#### Organisation

- (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

#### People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

#### Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

#### Performance and Reporting

(I) ESG disclosure in regular client reporting

Select from dropdown list

(1) for all of our mandates

(2) for a majority of our mandates

(3) for a minority of our mandates

(J) Inclusion of ESG factors in contractual agreements

(K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

**(A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

**(B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

**(C) Their participation in collaborative engagements and stewardship initiatives**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

**(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

**(E) Details of their engagement activities with policy makers**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

**(F) Their escalation process and the escalation tools included in their policy on stewardship**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

(G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

# MONITORING

## RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
<b>Organisation</b>			
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>			
(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

**Investment Process**

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

**Performance and Reporting**

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

(J) Inclusion of ESG factors in contractual agreements

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?**

**(1) Listed equity (passive)**

(A) How the external investment managers applied, reviewed and verified screening criteria	<input checked="" type="checkbox"/>
(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes	<input checked="" type="checkbox"/>
(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process	<input checked="" type="checkbox"/>
(D) Other	<input type="checkbox"/>
(E) We did not monitor ESG passive products and strategies	<input type="radio"/>
(F) Not applicable; we do not invest in ESG passive products and strategies	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.**

All third party fund managers for our monitored collective investments are assessed regularly, including meetings with management (where appropriate) to discuss the fund portfolio, market changes, management, performance, responsible investment and stewardship.

In recognition of a growing demand from clients for more discerning requirements and to reduce material ESG related investment risks in our principal asset class., the Enhanced ESG Integrated Due Diligence (EEIDD) funds process was created in 2021 and further extended through 2022 and 2023.

In the second half of 2023, we reviewed the matrix initially designed in 2021 to take into consideration the increased level of ESG integration in funds over the last 2 years and to integrate additional SFDR and TCFD considerations.

With additional data capabilities, we also proposed a mapping of relevant datapoints to support the qualitative assessment. As part of this review, we completed a review of all our collective investments against some of these quantitative measures to provide a list of Enhanced ESG Integration Due Diligence (EEIDD) funds that should possibly be reviewed or should be considered for the EEIDD flag. We have also added a specific question on how investment managers were using the process as part of our internal annual survey of investment managers to assess understanding and usage with clients.

As industry and regulatory requirements continue to evolve, especially with FCA's SDR rules on sustainable investment labels and criteria for UK funds coming into effect in H2 2024, this EEIDD process is expected to be reassessed in 2024.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
(A) At least annually	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Less than once a year	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) On an ad hoc basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
(A) Any changes in their policy(ies) or guidelines on stewardship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) How they prioritise risks connected to systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Their investment team's level of involvement in stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(I) Whether they participated in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

### Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

All third party managers for our monitored collective investments are assessed regularly, including meetings with management (where appropriate) to discuss the fund's portfolio, market changes, management, performance, responsible investment and stewardship.

An integral part of our investment process is ensuring we conduct due diligence on all of our monitored collective investments. We ensure that these external managers have been put through a screen. The following factors reflect due diligence queries for all collective investments:

- Industry bodies
- Investment policy
- Investment process
- ESG resource
- Stewardship
- Principle Adverse Impacts (PAIs)

Provided below is an example of an engagement with a fund manager on stewardship due diligence on social factors:

Our analyst met with the firm's Head of Responsible Investment and fund manager in March 2023 to discuss their holdings in Adidas, among other issues.

This company had been found by the Australian Strategic Policy Institute to be sourcing cotton from forced labour camps in Xinjiang province of China. The fund management team recognised that the problem was pervasive in the industry but justified the purchase on grounds that Adidas had prohibited its suppliers from sourcing from Xinjiang and believe the company had best-in-class controls. In addition, Adidas had reduced its exposure to production in Xinjiang. The fund had subsequently sold this holding.  
 Outcome: Our engagement with the fund management team illustrated commitment of the fund to pursue a stewardship approach that included engagement on social-related issues.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

# LISTED EQUITY (LE)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?**

**(3) Active - fundamental**

(A) Yes, our investment process incorporates material governance factors

(2) for a majority of our AUM

(B) Yes, our investment process incorporates material environmental and social factors

(2) for a majority of our AUM

(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period

(2) for a majority of our AUM

(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion

○

(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors

○



## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?**

### (3) Active - fundamental

(A) Yes, we have a formal process that includes scenario analyses

(2) for a majority of our AUM

(B) Yes, we have a formal process, but it does not include scenario analyses

(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion

○

(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies

○

### (A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)

Forward-looking risk measurements, such as climate-related scenario analysis, offer a method of assessing the impact of the transition to a low carbon economy together with physical risks on investments. The preparation of our 2023 TCFD report has included a series of engagements with MSCI to understand the calculations behind scenario analysis using specific examples of underlying holdings. This has demonstrated that, when used at a sector level, the results can provide interesting relative insights.

We recognise that climate-related scenario analysis is subject to many evolving variants, and as a result should be used carefully. Climate scenario analysis was not used for the purposes of asset allocation or portfolio construction during 2023. We are reviewing its applicability and effectiveness in 2024 including any risk mitigations.

Accordingly, in 2023 we continued to use our ongoing qualitative research into individual sectors and companies to assess the impact of a transition to a low-carbon economy.

In 2024, we applied MSCI's Climate Value at Risk (CVaR) methodology to our discretionary managed assets as of 31 December 2023 to assess their resilience to climate change.

This methodology recognises that climate change effects can be translated into a balance sheet impact, therefore providing insight into the potential valuation change from climate change per security and per scenario. CVaR assesses both transition and physical risks and opportunities through the aggregation of three underlying pillars:

Physical risk CVaR: i.e. damage to infrastructure from extreme weather events

Policy risk CVaR: i.e. imposition of carbon-related taxes

Technology opportunities CVaR: i.e.

development of low carbon technologies arising from the transition

The impact of five scenarios was computed to present a wide range of possible outcomes. These were taken from six scenarios developed by the Network for Greening the Financial System (NGFS), of which MSCI tools support 5.

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?**

#### (2) Active - fundamental

(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process

(2) in a majority of cases

(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process

(2) in a majority of cases

(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process

(3) in a minority of cases

(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?**

**(3) Active - fundamental**

(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors

(2) in a majority of cases

(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors

(2) in a majority of cases

(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability

(2) in a majority of cases

(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors

(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process

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## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

### Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

Consideration of ESG factors is included as an intrinsic part of the investment selection process. For direct investments MSCI ESG Manager provides for all companies on the MSCI ACWI and the MSCI UK IMI: ESG data points. ESG ratings and industry/thematic research, as well as business involvement screening. We receive additional ESG and thematic research from our third-party research providers.

MSCI provides an ESG score for most securities that fall under coverage.

These encapsulate MSCI's rules-based assessment of the key environmental, social and governance risks and opportunities that could affect its value and therefore overall ESG rating/score.

When analysing a company, analysts must take note of the MSCI ESG rating and the sector level material ESG factors in which the company operates, typically 3 to 5. We encourage sector specialists to understand the drivers behind the MSCI ESG rating, but also use their own judgement to ascertain if the driving factors are important to the long-term performance of the individual company. In particular, it is important to understand reasons behind low scores.

In 2022, we started reporting 18 SFDR Principle Adverse Impact indicators on our direct investments to the Direct Investments Group (DIG) with details of the top 20 contributors as well as TCFD historical metrics. We had already significantly developed our internal data capabilities in 2022 and this work continued in 2023 with the addition of 9 PAIs reflecting factors such as exposure to areas of high water stress, land degradation, desertification, soil sealing, companies without a policy to address deforestation or biodiversity protection policy, lack of supplier code of conduct, child or forced labour or human rights issues.

These additional PAIs were agreed using a review of the list of SFDR optional PAIs, identifying the PAIs with sufficient coverage based on our monitored universe, the materiality of our holdings, and a final qualitative assessment by Stewardship & Responsible Investment Group (SRIG) members.

On a quarterly basis, we extract the highest company contributors per PAI indicator and identify any outliers on a specific PAI or across several PAIs. These reports are escalated to DIG and made available to sector leads for their quarterly updates. These groups then decide on relevant actions to be taken, including referring to the Stewardship & Responsible Investment team for further escalation and engagement with investee companies.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

**(3) Active - fundamental**

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(2) for a majority of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

o

**(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process - Specify:**

We have a best-in-class approach for some clients that request a minimum threshold in ESG scores. This is consistent across direct investments and collective investments.

# POST-INVESTMENT

## ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?**

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) **We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

**(2) Active - fundamental**

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.**

We remain neutral on all the UK water companies predominantly due to their poor environmental practises. Whilst they offer defensive income and positive correlation to inflation, we believe there are more attractive opportunities in the networks businesses and integrated renewables names which offer better growth profiles (high single digit EPS growth versus mid-single digit growth for the UK water names). Severn Trent, on one of the companies under coverage, was rated neutral by our analysts over the course of 2023 and underperformed the FTSE All share by 7% over that time. Whilst the water companies screen cheaply, Severn Trent trades on a slight premium to the others on 1.1x FY25 RCV, and a dividend yield of 4.8% the regulatory overhang will persist for the coming months. The regulatory and political background with continued focus on sea and river run-off pollution, water resilience, underinvestment and over leverage (by some other water companies) does not help sentiment and will remain challenging.

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens



# SUSTAINABILITY OUTCOMES (SO)

## SETTING TARGETS AND TRACKING PROGRESS

### SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

**(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

**(2) The UNFCCC Paris Agreement**

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

**(1) Environmental**

(2) Social

(3) Governance-related

(4) Other

(3) Sustainability outcome name

Increasing externally validated targets and disclosures for direct equities

(4) Number of targets set for this outcome

**(1) No target**

(2) One target

(3) Two or more targets

**(B) Sustainability outcome #2**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

**(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) Environmental
- (2) **Social**
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

Engagements as part of Find it, Find it, Prevent it collaborative initiative to make the corporate response to modern slavery more effective.

(4) Number of targets set for this outcome

- (1) **No target**
  - (2) One target
  - (3) Two or more targets
- (C) Sustainability outcome #3
  - (D) Sustainability outcome #4
  - (E) Sustainability outcome #5
  - (F) Sustainability outcome #6
  - (G) Sustainability outcome #7
  - (H) Sustainability outcome #8
  - (I) Sustainability outcome #9
  - (J) Sustainability outcome #10

# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

#### How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
  - (H) We did not verify the information submitted in our PRI report this reporting year

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

#### Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
- (B) Senior executive-level staff, investment committee, head of department, or equivalent
  - Sections of PRI report reviewed
    - (1) the entire report
    - (2) selected sections of the report
  - (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year