



Responsible Investment Policy

Policy introduction

Our corporate purpose is “to place the power of good advice into more hands”. Over the last 85 years, we have delivered the type of powerful, good advice that is personal, in partnership and performs for individuals, families, charities and businesses alike.

Our core values are to deliver a personal and inclusive service to all clients irrespective of their size, to build long-term partnerships which will stand the test of time and focus on performance, as we aim to be a forward-thinking and innovative business that strives for more. Evelyn Partners has long been aware of the benefits of socially responsible investing. We've always looked to incorporate clients' individual values into how we invest for them.

Our culture, values and commitment are to provide a top quality personalised service, working in partnership with professionals across the wider group to deliver strong risk adjusted performance to our clients. 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 forefront 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.

As responsible investors, we are engaged in the stewardship of the businesses we invest in on behalf of our clients. We use our influence as shareholders to improve investee companies' own ESG practices and performance. We do this by engaging (directly and collaboratively) with companies 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 will both enhance value and reduce potential risks as well as increasing the impact of holding those investments on both the environment and wider society.

Definitions

We define Responsible Investment as the practice of incorporating ESG factors into investment analysis alongside traditional financial factors, and the practice of active ownership/stewardship.

Purpose and scope

This policy is intended to focus on our direct equity, fixed income and collective investments held within discretionary portfolios managed by the Evelyn Partners Group (the Group – see below for a list of applicable legal entities).

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

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.

As long-term investors we have always considered the sustainability of the companies we invest in and incorporating ESG factors and screening into our analysis is a continuation of this process. Responsible investment requires a robust, nuanced but repeatable process. The goal is to integrate ESG factors and practise active ownership in a way that enhances the existing investment process and improve long-term outcomes for clients. The integration of ESG factors is done at the sector, level and feeds into recommendations for direct and collective investments and informs our voting and engagement activities.

The integration of sustainability risks into the investment process has been disclosed in the Group's Sustainability Disclosure Statement. As part of our commitments to integrate ESG considerations into the investment process, ESG material risks/sustainability risks alongside other financial considerations form a core part of this process. The implications for our direct investments, are that each company is to be assessed based on its sector's material risks.

External data providers

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

Roles and responsibilities

Our responsible investment pillar was initially established by the Corporate Responsibility Committee (CRC), which was disbanded in 2022. ESG is now overseen formally by the Group Executive Committee (GEC). The GEC is responsible for setting and monitoring the Group's approach to its Corporate Responsibility strategy and leading the Group's work on ESG. In the latter part of 2022, the Board ESG Committee was established.

Day-to-day implementation is the responsibility of the Stewardship and Responsible Investment Group (SRIG), working with the Direct Investment Group (DIG) and the Collectives Investment Group (CIG), all under the overall supervision of the Investment Process Committee (IPC). The Stewardship & Responsible Investment (SRI) team are responsible for reporting stewardship outcomes, co-ordinating engagements, proxy voting oversight, ESG and ethical monitoring and advice. Their role sits within the front office where they can assist with queries and be the first point of contact for anything relating to stewardship and responsible investment.

Active ownership and engagement

Our client base is a mix of private client portfolios, trusts, charities, pensions and companies. As such, there is a long tail of smaller holdings, held for various reasons, and it would be impractical to vote on every holding. Our voting process focuses on discretionary holdings which are on our direct equity monitored universe, any company on our Alternative Investment Market (AIM) monitored list and any situation where our materiality threshold is met (where we own more than 1% of the total issued share capital). In January 2023, we also started voting on all direct holdings held in our Citi Funds. This currently amounts to over 750 UK and international companies.

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

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

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

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

- With any resolution that we vote against, we write to the Chair of the Board to explain our reasons for doing so
- With over various meetings with companies every year, our sector specialists have plenty of opportunity to follow up on areas of potential concern flagged by their research or by our external data providers
- By taking part in larger collaborative engagements through memberships with The Investor Forum, Climate Action 100+, Find it, Fix it, Prevent it, as founding signatories to the Corporate Mental Health benchmark and members of FAIRR. This provides us with a private forum to pool resources, share information, enhance influence and engage with companies, policymakers and other stakeholders in the investment value chain on ESG issues across asset classes, sectors and regions.

Climate risk management approach to our investments and TCFD disclosures

The Group exercises its fiduciary duties for all clients as a responsible investor. We do not seek to impose a target for ESG factors on our clients' portfolios, such as Net Zero greenhouse gas emissions, unless we are specifically instructed to do so by individual clients.

- The Group's UK regulated entities are subject to the UK Financial Conduct Authority's (FCA) implementation of the Task Force on Climate-Related Financial Disclosures (TCFD), applicable to asset managers from 1 January 2023. We are developing the Group's capabilities to address the FCA's requirements for TCFD recommendations and disclosures applicable to Evelyn Partners. This includes forward-looking scenario analysis and metrics on the financed emissions of our clients' investments.
- The Group has been a voluntary supporter of the TCFD since 2021. We submitted our first CDP Climate Questionnaire in 2022. Details of our TCFD climate-related disclosures can be found in the annual Corporate Responsibility Report on our website.
- Our position and approach to managing climate related risks and opportunities for our discretionary managed investments will be updated in due course as we implement TCFD requirements and any further FCA Sustainable Disclosure Requirements applicable to the Group in future.

Reporting and management information

Our policies are published on our website. As a signatory to the UN PRI, we submit an annual assessment report in accordance with their guidelines, with the final assessment report being published to our website. Our voting and engagement activity is published each quarter on our website, alongside our quarterly vote decisions. Our UK Stewardship Code 2020 response can also be found on our website. We also have access to various reports through MSCI and Glass Lewis.

Management oversight reporting is provided quarterly.

Evelyn Partners' Sustainability Disclosure Statement and ESG policy are detailed separately.



Contact

Lucy Ward
Director, Stewardship & Responsible Investment
Evelyn Partners Investment Management LLP
E: SRI@evelyn.com

Aimee Roche
Senior Stewardship & Responsible Investment Analyst
Evelyn Partners Investment Management LLP
E: SRI@evelyn.com

www.evelyn.com

This policy applies to the following Evelyn Partners legal entities:
Evelyn Partners Asset Management Limited*
Evelyn Partners Discretionary Investment Management Limited*
Tilney Discretionary Portfolio Management Limited*Evelyn Partners Securities*
Evelyn Partners Investment Management LLP*
Tilney Asset Management Services Limited*
Evelyn Partners Investment Management Services Limited*
Evelyn Partners International Limited**
Evelyn Partners Investment Management (Europe) Limited***
Evelyn Partners Investment Services Limited*
Smith & Williamson Investment Management Ireland Limited***

* Evelyn Partners UK firms authorised and regulated by the Financial Conduct Authority.

** Evelyn Partners International Limited is regulated by the Jersey Financial Services Commission.

*** Evelyn Partners Irish entities regulated by the Central Bank of Ireland