Evelyn Partners Voting Policy

Leadership

Companies should have a talented board with a proven record of protecting and delivering value, where individuals have a diverse background,

record of positive performance and a breadth and depth of experience. The board should also have an adequate level of diversity in gender, nationality, and ethnic origin. We believe in routine director evaluation, including independent external reviews, and periodic board refreshment to foster the sharing of diverse perspectives in the boardroom and the generation of new ideas and business strategies.

The board will most effectively perform the oversight necessary to protect the interests of shareholders if it is significantly independent. Ideally, only independent directors should serve on a company's audit and remuneration committees while a majority of members of the nomination committee should be independent. Moreover, there should be at least one member of the audit committee with relevant financial experience.

Effectiveness

There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility

for the running of the company's business. No one individual should have unfettered powers of decision. The board and its committees should have the appropriate balance of skills, experience, independence, and knowledge of the company to enable them to discharge their respective duties and responsibilities effectively.

The Committee Chair maintains primary responsibility for the actions of his or her respective committee. There should be a clear disclosure of which director is charged with overseeing each committee.

The audit committee should act independently from the executive, to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control. We assess audit committees based on the decisions they make with respect to their monitoring role, and the level of disclosure provided to shareholders. We believe that the committee requires a minimum of three members — or two for smaller companies.

Remuneration committees have a critical role in determining the remuneration of executives. We believe overall remuneration levels should be reflective of the company's size, relevant peer group and recent performance.

Nomination committees are responsible for ensuring that the board contains the right balance of skills, experience, independence, and knowledge, as well as the adequate level of diversity, to effectively oversee the company on shareholders' behalf. This process includes managing the terms and disclosure of board appointments, both in initial recruitment and on an ongoing basis, with an emphasis on progressive refreshment. The committee must set out the board's policy on diversity, with specific reference to gender, including details of any internal objectives and progress against them.

Accountability

Each company should be headed by an effective board which is collectively responsible for the long-term success of the company. To achieve good governance requires continuing and high-quality effort.

The Board should promote the interests of shareholders and should consist of mostly independent directors those of which should be held accountable for actions and results related to their responsibility.

The board should establish a formal and transparent process to review the company's corporate reporting, risk management and internal control principles.

A director's history is often indicative of future conduct and as such we typically vote against directors who have served on boards or as executives of companies with a track record of poor performance, over-remuneration, audit or accounting-related issues and/or other indicators of mismanagement, poor oversight or actions against the interests of shareholders.

We take note of any significant losses or write-downs on financial assets and/or structured transactions. Where we find that the company's board-level risk committee

contributed to the loss through poor oversight, we would vote against such committee members on that basis.

Remuneration

We believe executive remuneration should be linked directly with the performance of the business that the executive is charged with managing. The Policy should provide clear disclosure of an appropriate framework for managing executive remuneration. We expect the remuneration policy to comply with best practice. When a company's executive remuneration policy deviates from these guidelines, we expect a clear and compelling rationale for why the proposed structure or practice is appropriate for the company. If the company has failed to sufficiently disclose the terms of its policy, we may vote against the proposal solely on this basis.

Remuneration should be sufficient to attract and retain proven talent but should not be excessive. We examine executive pay on a case-by-case basis. A clear, succinct, and comprehensive disclosure of the company's remuneration structure and practices is essential for shareholders to make an informed assessment. No director should be involved in deciding his or her own remuneration. In the event of significant opposition to remuneration proposals, we will assess the responsiveness of the committee to shareholder concerns.

Incentives tied to long-term performance and holding restrictions provide the strongest alignment with the interests of long-term shareholders. The majority of the incentive opportunity should generally be subject to a performance period of at least three years. A significant proportion of incentive pay-outs should be delivered in equity to promote alignment with shareholder interests. Incentive programmes should generally include specific and appropriate performance goals and a maximum award amount per employee.

Remuneration committees should retain a reasonable level of discretion to ensure that pay outcomes are justified and linked to performance, and that the implementation of the remuneration policy remains appropriate.

Performance

Performance measures should be carefully selected to relate to the specific business/industry in which the company operates and, especially, the key value drivers of the company's business.

We look at the performance of these individuals in their capacity as board members and executives of the company, as well as their performance in different positions at other firms. We would consider voting against an individual should they fail to attend at least 75% of board meetings. We are sceptical of directors who have a track record of poor attendance.

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Climate

With regards to governance, we closely evaluate the roles and responsibilities of the board and its committees in order to understand what level of oversight is afforded to environmental and climate-related risks and opportunities. In instances where a company does not afford proper oversight to these issues, we would consider voting against relevant directors.

When looking at transparency, we understand that shareholders require comprehensive disclosure of companies' climate and sustainability-related risks, we would consider voting against relevant directors in instances where a company has failed to provide adequate disclosure to allow shareholders to evaluate how a company is considering issues of climate change.

For heavily emitting or highly exposed companies, we will consider how a company's strategy has incorporated issues related to climate change, by evaluating whether the company has established GHG reduction goals.

In order to determine how risks related to climate change are established throughout an organisation, we would carefully evaluate the incentive structures driving the top levels of an organisation and to what extent climate and other environmental risks are built into a company's reward structures.

Shareholders may put forth resolutions related to a company's climate program. These shareholder proposals will be evaluated on a case-by-case basis taking careful consideration of the proponent's request, the company's climate-related performance, and how the company performs compared to its peers.

ESG

With regards to governance, we acknowledge the importance of ensuring that the board is comprised of directors who have a diversity of skills, backgrounds, thoughts, and experiences. As such, having diverse boards benefits companies greatly by encompassing an array of different perspectives and insights.

We would consider voting against compensation plans where a company has both failed to provide an adequate link between pay and performance, and the company has neglected to incentivise environmental and social performance.

We would be broadly supportive of environmental and social shareholder proposals aimed at enhancing a company's policies and performance with respect to such issues.

Monitoring & Engagement

We are committed to generating superior returns for our clients by investing in companies that will create long-term value for stakeholders. We actively seek to include environmental, social and corporate governance (ESG) factors, along with voting and engagement, in our investment process which in turn can influence the prospects and financial performance of our clients' investments, therefore playing a key part in our responsibility to stakeholders, society and our clients.

Oversight of this process is led by our Investment Process Committee (IPC). We use MSCI, an external company, for all Environmental, Social, and Governance (ESG) and ethical screening services. ESG factors are incorporated into our fundamental research process for direct investments as these can have a significant impact on the long-term valuations.

Our in-house sector specialists conduct in-depth research into UK and overseas equities by holding various meetings with companies' management each year as well as undertaking media and other desk-based research. This monitoring and engagement with companies enables us to fulfil our Stewardship responsibilities.

Responsibilities

This policy is based on best practice and is updated at least annually after approval by the Stewardship & Responsible Investment Group (SRIG). Evelyn Partners voteable positions are uploaded to 'Viewpoint', alongside relevant research and input from Glass Lewis.

Day-to-day responsibility for the voting process sits within the Stewardship and Responsible Investment (SRI) team. The process is reviewed monthly at the Stewardship and Responsible Investment Group (SRIG) meeting, which is attended by a mix of experienced investment Partners and Directors, Director of the Stewardship & Responsible Investment (SRI) team, the Head of Investment Risk and members of the RI Transition team.).

Glass Lewis Policy is reviewed against Evelyn Partners policy and any divergences will be reviewed by SRIG. If the two policies align then the policy will be voted through in a timely manner.

Reporting

We report on our Proxy Voting activities on a quarterly basis as well as annually in keeping with our commitments to the UN PRI and the UK Stewardship Code. We also published a record of our voting decision. These reports can be found on our website. Individual client voting records can be provided upon request.

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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**
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