
Evelyn Partners SRD II Engagement Policy

Policy Introduction

This policy should be read in conjunction with our Responsible Investment Policy, which is the over-arching policy, together with the related Voting policy. Other relevant documents include the United Nations supported Principles for Responsible Investment (UN PRI) submission and our UK Stewardship Code 2026 report, plus our regular reports on voting and engagement activity and our sustainability related disclosure statement, all publicly available on our website.

Stewardship, as defined by the Financial Reporting Council (FRC), is *"the responsible allocation, management, and oversight of capital to create long-term sustainable value for clients and beneficiaries."* This involves actively engaging with investee companies and other stakeholders on behalf of our clients. The purpose of this policy is to outline our approach and provide key information on how we deliver effective stewardship.

Policy Owner

This Policy is owned by Evelyn Partners Stewardship & Responsible Investment Group, Investment Management.

Scope

This policy applies to assets managed within discretionary portfolios managed by the Evelyn Partners Group (the Group – see end of policy for a list of applicable legal entities).

Active Ownership

Our investment process involves rigorous analysis across geographies, asset classes, collective funds and companies, and includes assessing the Environmental, Social and Governance (ESG) factors alongside more traditional financial appraisal techniques. This improves our ability to identify high quality investments and strengthens the resilience of the portfolios we build for clients over the long term.

Among other areas, we monitor investee firms including strategy, financial and non-financial performance and risk, their capital structure, social and environmental impact and corporate governance.

The largest asset classes in client portfolios are listed equities and collective funds investing in those companies. We seek to invest in businesses that have overall positive characteristics, able to grow revenue and compound returns over time, that are attractively valued with sound balance sheets and healthy cash flow generation, have high standards in their operational activities, and have a management team that are adapting to the challenges of the future by investing in their chosen strategy. We believe that these companies will outperform across the economic cycle, and they represent the core of our portfolios. We adapt portfolios to reflect where we are in the investment cycle.

While our investment process leads us to high quality investments, there are occasions where standards can fall short in some areas, but the investment case remains intact. In these instances, we will work to effect change using our influence at company and fund level. We believe that these actions will reduce corporate and systemic risks and thereby improve the resilience of client portfolios.

Active ownership (stewardship) and engagement can take a variety of forms:

- direct communication with board members and relevant committees

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- communicating with relevant stakeholders of the investee companies and with fund managers of collective investments
 - cooperation with other investors in working groups and company engagements
 - communication with policy makers and industry bodies
 - communication with our clients
 - use of voting – including abstaining or voting against management

We accept that successful engagement may take time to be effective, and that we need to be patient in our standard engagement programmes prior to elevating any escalation action. In our experience, a flexible approach which takes advantage of different options has proved to be useful.

Engagement as Part of Sector Analysis

Sector Specialists and the Responsible Investment team regularly meet with the companies under their coverage to discuss a range of topics from ESG issues to traditional analytical metrics. Key material risks and our RI priorities are shared with the Sector Specialists: these should form part of regular discussions with companies.

Thematic Engagement

Targeted company engagement focuses on a smaller group of companies or funds i.e. by sector or by theme. They usually result in mailing a set of targeted questions to specific companies.

To encourage enhanced disclosure and ambition, for example regarding decarbonisation, we actively engage to achieve emissions reductions. This is accomplished through thematic based engagements such as asking the fund managers responsible for a significant contribution to our overall assets under management and associated GHG financed emissions to explain their approach to alignment with the goals of the Paris Agreement, as part of our suitability evaluation and due diligence directly engaging with the highest emitting investee companies in four key carbon intensive sectors (e.g. energy, utilities, material and transportation) to support them in their climate transition efforts.

Collaborative Engagement

Collaborative engagement occurs when a group of investors come together to engage in dialogue with companies. The discussions cover a wide range of topics, although there will generally be a single thematic issue under consideration. Through these memberships we can meaningfully engage with companies where we might otherwise represent a small shareholder minority. By unifying our voice, investors can more effectively express concerns to corporate management, resulting in more informed and constructive dialogue.

To amplify our impact, Evelyn Partners participates in larger collaborative engagements through memberships with platforms including:

- The Investor Forum
- the "Find it, Fix it, Prevent It" on modern slavery
- Nature Action 100
- Climate Action 100+

To participate in collaborative engagements, we must have material holdings in the target company and determine that we can add value. The lead Sector Specialist works alongside the Responsible Investment team throughout the engagement, attending meetings and reporting progress to the Directs Investments Group (DIG) and Stewardship & Responsible Investment Group (SRIG).

Whilst transparency is important, we ensure that feedback on ongoing collaborative engagements is not made public in our voting and engagement reports until the engagement reaches a conclusion.

Engagement pre or post proxy voting

In cases where we deem it necessary, Evelyn Partners will abstain or vote against management resolutions. In these cases, we write to the Chair of the Board to open a dialogue with the company. We may also choose to engage with companies ahead of casting our vote to request additional information.

Client-led engagement

Specific clients might request a specific engagement on their behalf. These requests are reviewed by SRIG and other parties on the basis of various factors, including their alignment with Evelyn Partners existing position and the client's specific requirements.

Reactive engagement

In the event of a large market event or controversy (such as matters arising at odds with UN Global Compact principles or good governance), we would consider engaging with relevant companies or funds as a result.

Expectations of external fund managers in our monitored universe

We use our influence to improve ESG practices and performance by collective investment managers. We do this by engaging where we have material shareholdings. As stewards of our clients' capital, we seek to encourage better business practices, which should both enhance the value and reduce potential investment risks over the long term.

During our due diligence process, we seek to establish whether fund teams share the values we ascribe to regarding responsible investment principles and practices that support long-term investment returns. Fund management groups are expected to be UNPRI signatories. This is the case for the vast majority of funds and is now a requirement for a fund to be added to our monitored universe.

Fund managers are also expected to follow the principles of the UK Stewardship Code 2026, where possible. However, we are mindful that differing approaches to ESG integration and stewardship may be appropriate, depending on the asset class and investment geography. Accordingly, we adapt these expectations to a certain extent on these factors where relevant.

For those few managers in our monitored universe without UK Stewardship Code signatory status, the majority are in asset classes where active stewardship may not be practical. For example, hedge fund strategies taking short-term positions which render engagement challenging, or overseas funds that are not covered by the UK Stewardship Code, or in property where other bodies are used for standard setting. In terms of overseas funds, many are covered by their own relevant country standards. For example, a high proportion of our holdings in specialist Japanese funds are signatories of Japan's Stewardship Code.

Escalation

For direct equities, there are occasions where an investment case has been significantly adversely affected by sustainability related risks and/or ESG factors and this has contributed to a material deterioration of the investment case. In those cases, an escalation has been to remove from coverage and sell client holdings.

For collective investments, our ongoing monitoring programme includes regularly assessing responsible investment processes and capabilities and engaging with the fund managers when deemed appropriate. If a fund manager continues to maintain a position or practice on voting, stewardship or ESG integration that we do not agree with, we may notify the manager that coverage is under review, and we may reduce the capital allocation until concerns have been rectified. On occasions where shortcomings continued, we have removed funds from coverage, and where appropriate, provide feedback for the reasons for removal.

External data & service providers

We use MSCI to provide ESG data, screening and reporting, Morningstar Sustainalytics to augment our thematic direct engagements as part of our stewardship activities, Glass Lewis for proxy voting research and Broadridge for electronic voting.

Wider stakeholder & policy engagement - regulators and trade bodies

Evelyn Partners is involved in several industry groups and regularly provides input into various trade body regulatory consultation responses to help improve sustainability-related disclosures and proposed regulation. This helps us to demonstrate and provide further clarification on the regulatory intent or address specific rules to assist in the practical implementation of proposed regulations; as well as adding to our understanding and ability to mitigate systemic risks. The Group participates in industry working groups for sustainability and stewardship related initiatives and is a member of the following bodies:

- The Investment Association (IA)
- Personal Investment Management and Financial Advice Association (PIMFA)
- The Investing and Saving Alliance (TISA)

Managing conflicts of interest

We define a conflict of interest as a situation which arises when: our interests or the interests of a partner, director or employee conflict with the duties it owes to a client; or the duties we owe to one client conflict with the duties we owe to another client.

We take all reasonable steps to identify conflicts of interest arising and to manage potential conflicts in a way that is fair to our clients. We avoid and manage these conflicts through a number of policies and procedures. Please see our Conflicts Management Policy – Financial Services available here: [Conflicts of Interest Policy Statement | Evelyn Partners](#).

In terms of managing potential conflicts of interests within our engagement and voting activities, the Responsible Investment team maintains a register. This identifies investment managers who might be involved in an engagement, or who may be asked to provide a voting recommendation, in respect of an equity where a statutory director is also a client of that investment manager. In some cases, they may be asked to recuse themselves from the stewardship process.

Reference to other policies

For more details on voting please see our Voting policy, Sustainability-related Disclosures Statement and overall Responsible Investment policy, please go to www.evelyn.com.

Legal Entities

The Group's Investment Management business is a signatory of the UN PRI and UK Stewardship Code 2026 and a participant to the UN Global Compact via its subsidiary company Evelyn Partners Services Ltd on behalf of the Evelyn Partners Group. This policy applies to the following legal entities which provide the Group's discretionary portfolio management services: Evelyn Partners Investment Management Services Limited (FCA) | Evelyn Partners Investment Management LLP (FCA) | Evelyn Partners Discretionary Investment Management Limited (FCA) | Tilney Discretionary Portfolio Management Limited (FCA) | Evelyn Partners Securities (FCA) | Evelyn Partners Investment Services Limited (FCA) | Dart Capital Limited | Evelyn Partners International Limited (Jersey) | Evelyn Partners Investment Management (Europe) Limited (Ireland).

Evelyn Partners UK legal entities are authorised and regulated by the Financial Conduct Authority
Evelyn Partners Investment Management (Europe) Limited is regulated by the Central Bank of Ireland
Evelyn Partners International Limited (Jersey) is regulated by the Jersey Financial Services Commission