

Quarterly STEWARDSHIP *Report*

Q1 2026



Our stewardship approach

What is stewardship?

The UN Principles of Responsible Investment (PRI) defines stewardship as “*the use of investor rights and influence to protect and enhance long-term value for clients and beneficiaries, including common economic, social and environmental assets on which their interest depend.*”

Stewardship is about working with external stakeholders including other investors, regulators and clients to mitigate risks and improve outcomes. It includes voting on shares in companies and investment vehicles.

Why is it important to us?

We believe that stewardship is at the forefront of our fiduciary duty to clients. We remain firmly committed to the UN PRI principles and the UK Stewardship Code. This is guided by our conviction that responsible investment (RI) – through environmental, social and governance (ESG) integration and active stewardship – contributes to building more resilient portfolios and contributes to better client outcomes.

Our stewardship approach assists us in the following ways:



Information gathering/sharing:

- Assists with evaluation of our systemic risks
- Helps determine whether a particular investment meets our criteria and standards
- Allows us to understand and assess investments against our bottom-up RI priorities



Adhering to policy:

- Enables us to assess the investment landscape and align our approach with regulatory developments
- Helps ensure the stated policies of investee companies and external funds are being actioned
- Fulfils our fiduciary duty of being active stewards of clients' capital by 'walking the walk' not just 'talking the talk'



To reduce risk:

- Where standards fall short of our expectations at investee companies or fund level, but the investment case remains intact, we can work to help improve business practices and lower long-term risk
- Contributes to the well-functioning of the financial system e.g. working with regulators to help shape policy

Who is conducting stewardship?

There are several teams at Evelyn Partners involved in defining and implementing our RI and stewardship activities:

Responsible investment team: seven dedicated specialists, with skills ranging from expertise in stewardship to climate, integration of ESG factors into the investment process, regulatory compliance and RI data analysis and reporting

Sector specialists: practitioners that also provide sector analysis, including ESG risks and opportunities, make investment decisions and participate in our voting process

Investment managers: they meet with clients frequently to understand their sustainability preferences. These insights help ensure our products and services are suitable for them

Service providers: since January 2025, we have been working with **Morningstar Sustainalytics**, an external engagement service provider, to extend our capacity and reach

We are active members of various collaborative initiatives including:



Find it, Fix it, Prevent it



United Nations Global Compact

We work with trade bodies to promote improvement in the functioning of financial markets:



Engagement in the investment process

Pillars of our engagement strategy

Engagement type	Evelyn Partners activities Q1 2026
Engagement with policy makers and other stakeholders	<ul style="list-style-type: none"> Contributed technical feedback to the IA on the European Commission's proposed SFDR reforms – covering scope, product naming, exclusions and sequencing Submitted input to the IA's sustainability and responsible investment outlook survey, highlighting a proportionate SDR scope for portfolio management services
Stewardship with investees and assets	<ul style="list-style-type: none"> Met with 1 company to discuss their climate strategy, 1 company that was flagged as a UNGC watchlist company and 2 companies to discuss child labour risks Morningstar Sustainalytics led 6 meetings with companies under coverage Co-led engagements with Sherwin Williams as part of NA100, and participated in BBFAW collaborative engagement with Cranswick Participated in an invitation-only call with Unilever on the use of plastics
Engagement with external managers	<ul style="list-style-type: none"> Followed up with 10 funds after our 2025 engagement project on our bottom-up RI priorities, focused on climate change, child labour, and UNGC watchlist companies. We received satisfactory responses from all funds
Client engagement	<ul style="list-style-type: none"> Evelyn Partners sponsorship, client hosting and CEO participation in the 3-day Anthropy national gathering: bringing together responsible leaders and organisations to inspire a more united future for the UK Anthropy - Inspiring a Better Britain Launch event for, "It's not about confidence: the hidden forces shaping women's financial futures," a new report from the University of Edinburgh's Edinburgh Futures Institute Reframing women and wealth: why confidence isn't the issue Evelyn Partners
Collaboration	<ul style="list-style-type: none"> Attended the UN PRI Sustainability Forum and Stewardship & Collaboration Forum Participation in the UNGC Human Rights Accelerator programme to enhance our internal framework for identifying human rights-related risks Responded to MSCI consultation on Sustainability Impact Metrics

Escalation – we act where needed

Where we have concerns about an investee company or collective investment, or where we have reasons 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 and fund managers.

Escalation can take a variety of forms:

- Direct communication (sometimes repeated) with board members
- Collaborating with other investors if private engagements prove unsuccessful
- Abstaining or voting against management
- Taking steps to reduce our investment exposure by removing from coverage/selling holdings where we believe it is the interests of our clients to do so

How we prioritise engagements

Evelyn Partners has 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. These are:

- 1. Environmental resilience**
- 2. Workplace standards**
- 3. Excellence in governance**







These priorities primarily drive our engagement programme, but we also address systemic risks where those have been identified. There are four megatrends that we believe will shape the next decade:



Our approach is consistent across both collective investment funds and direct investment assets, as can be seen from the case studies in the following section.




Case studies of engagement with companies

Direct meetings – can cover several risks, including systemic risks and bottom-up priorities

Megatrend	RI Priority	Engagement	
 <p>Bumpy energy transition</p>	 <p>Environmental resilience</p>	<p>Cranswick BBFAW animal welfare engagement</p> <p>Sector: Consumer staples</p> <p>What we like</p> <ul style="list-style-type: none"> Vertically integrated supply chain, high levels of self-sufficiency <p>Challenges</p> <ul style="list-style-type: none"> Three animal welfare incidents reported following acquisitions in 2024/25 <p>Stewardship Focus We began a new dialogue with Cranswick through the Business Benchmark on Farm Animal Welfare (BBFAW) initiative, given its relevance to animal-welfare risk. In February, we joined other investors to assess the company's response and understand the underlying causes of the incidents. The company provided a detailed background on the events and the corrective actions taken. They noted the operational complexity of maintaining consistent welfare standards across a dispersed farm network, the need for improving measures when taking on new farms, and progress in expanding AI surveillance to detect non-standard behaviours in real time.</p> <p>Outcome We were pleased that Cranswick is taking this matter seriously, with six specialists attending from the company. The measures outlined were commensurate with the issues at hand and we will seek a further update at the end of 2026 to give them time to implement.</p>	
 <p>Shifting demographics</p>	 <p>Workplace standards</p>	<p>Novartis Our engagement project on child labour risks</p> <p>Sector: Healthcare</p> <p>What we like</p> <ul style="list-style-type: none"> High level of disclosures on human rights programme <p>Challenges</p> <ul style="list-style-type: none"> May face reputational damage if linked to controversies <p>Stewardship Focus We met with the Head of Human Rights at Novartis to understand the company's approach to managing child labour risks. Their human rights programme has expanded significantly over the past six years, growing from a single-person function into a 10-person team to manage risks across their operations and supply chain. We discussed progress among Tier 1 suppliers, where a small number had been identified as lacking adequate child labour management systems. Beyond Tier 1, the company noted raw materials as the highest risk area, noting complexity and limited leverage inherent in deep supply chains. To address this, Novartis works with initiatives like the Pharmaceutical Supply Chain Initiative to drive responsible practices across the industry.</p> <p>Outcome The meeting provided valuable insights into what we perceive to be a low-risk sector but where responsible supply chain management continues to evolve. We were impressed by their approach and will consider this as a benchmark for peers.</p>	
 <p>Excellence in governance</p>	 <p>Environmental resilience</p>	<p>Veolia Our engagement project on UNGC watchlist issuers</p> <p>Sector: Utilities</p> <p>What we like</p> <ul style="list-style-type: none"> Leads most peers on efforts to mitigate carbon-related risks <p>Challenges</p> <ul style="list-style-type: none"> Severe controversy related to toxic emissions and waste and impact on local communities <p>Stewardship Focus We engaged with Veolia to examine the company's management of environmental and community-related risks at the San Silvestre landfill in Colombia. Although the UNGC flag had been a historical controversy predating Veolia's ownership, campaigners had claimed improper management of the site following the acquisition. Veolia highlighted substantial improvements within their operational site since then, including stronger compliance oversight. They explained their ecological management efforts and that the landfill is open to public visits. Veolia also outlined investments they had made to benefit local communities.</p> <p>Outcome Our engagement strengthened our understanding of the operational improvements Veolia has implemented at San Silvestre and the constraints it faced regarding legacy environmental issues that were occurring outside its operational boundary.</p>	

Case studies of engagement with fund managers

Due diligence with funds to ensure our values and standards are shared

Megatrend	RI Priority	Engagement
 <p data-bbox="84 682 346 715">Bumpy energy transition</p>	 <p data-bbox="410 682 672 715">Environmental resilience</p>	<p data-bbox="744 419 996 482">Global Equity Megatrends Fund</p> <p data-bbox="744 505 958 586">Follow up on our collectives climate engagement</p> <p data-bbox="1021 419 1192 444">What we like</p> <ul data-bbox="1021 451 1360 586" style="list-style-type: none"> • Team engages with companies on climate topics such as governance, capital allocation, and decarbonisation <p data-bbox="1021 605 1174 629">Challenges</p> <ul data-bbox="1021 636 1360 718" style="list-style-type: none"> • Fund has high carbon risk, although skewed by certain holdings <p data-bbox="1381 419 1628 444">Stewardship Focus</p> <p data-bbox="1381 451 2435 729">This fund was targeted as part of our 2025 collectives' climate engagement as one of the most carbon intensive funds under coverage. After assessing their response to our questionnaire, we followed up with a selection of managers. We focused on those that responded negatively to our question on whether they had escalated engagements with investee companies due to unresponsive or poor climate performance. Based on their use of proprietary tools including a Net-Zero Alignment Indicator, the fund team stated that the majority of holdings are making good progress against their climate expectations. They will continue to monitor companies but have not deemed escalation necessary at this time. When a company does not respond to their concerns or concerns have not been sufficiently addressed, they explained their escalation process.</p> <p data-bbox="744 753 868 778">Outcome</p> <p data-bbox="899 746 2456 825">Despite having a carbon intensive portfolio, we were impressed by the fund management team's approach to managing climate-related risks. Alongside their own tools they also participate in several collaborative initiatives including CA100+ and the Institutional Investors Group on Climate Change (IIGCC), and have an appropriate escalation process to help manage these risks.</p>
 <p data-bbox="397 1182 665 1215">Excellence in governance</p>	<p data-bbox="744 872 988 935">European Hedge Fund</p> <p data-bbox="744 958 963 1039">Due diligence meetings on fund's investment process</p> <p data-bbox="1009 872 1179 896">What we like</p> <ul data-bbox="1009 903 1322 1018" style="list-style-type: none"> • One of very few equity market neutral strategies within the sustainability opportunity set <p data-bbox="1009 1036 1154 1061">Challenges</p> <ul data-bbox="1009 1068 1352 1210" style="list-style-type: none"> • Limited and lagged visibility in relation to underlying holdings • Lack of transparency on the investment process <p data-bbox="1381 872 1628 896">Stewardship Focus</p> <p data-bbox="1381 903 2435 1186">We requested a meeting with the sales representative to highlight two key issues which had not been covered in disclosures or previous due diligence meetings: 1) a list of stocks that breaches stated restriction thresholds but are still considered investible by the ESG team due to perceived transition progress to be investible; 2) Following the invasion of Ukraine, changes to the 'defence framework' which allowed defence companies in some instances to become investible. Follow-up correspondence and meetings with key sustainability and ESG personnel confirmed that there is a degree of flexibility within the restrictions policy. Changes to it remain at the fund manager's discretion and may not be communicated to investors as a matter of course. The fund manager was unable to disclose revenue thresholds used within the process even where a non-disclosure agreement exists.</p> <p data-bbox="744 1225 868 1249">Outcome</p> <p data-bbox="899 1225 2435 1303">Based on the new information available to the team, it was decided that the strategy was no longer appropriate for clients with sustainability preferences. We also provided feedback that their public disclosures were confusing and the fund manager agreed to rewrite them.</p>	

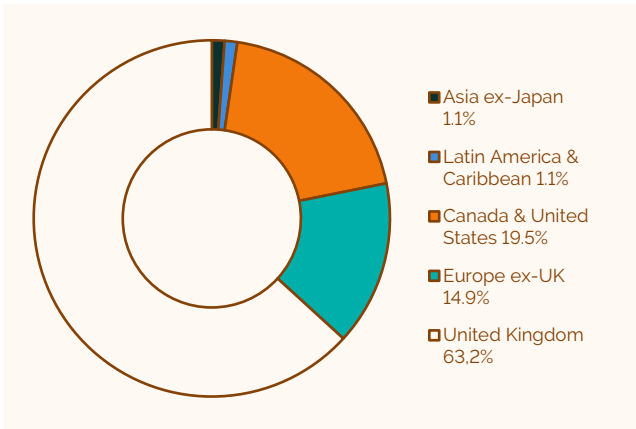
Proxy voting

Voting is an important tool in active stewardship and gives us the opportunity to express our views on behalf of our clients as investors. The group's voting policy and process covers discretionary holdings in our direct investment MU for equities, any company on our alternative market investment (AIM) monitored list, closed-ended investment trusts and our Evelyn Partners managed funds

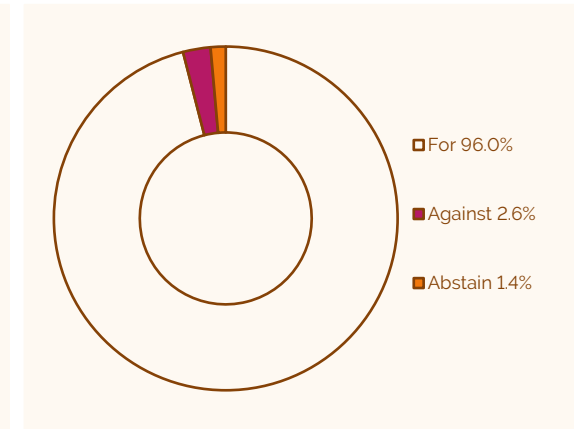
How we voted this quarter



Voting by region

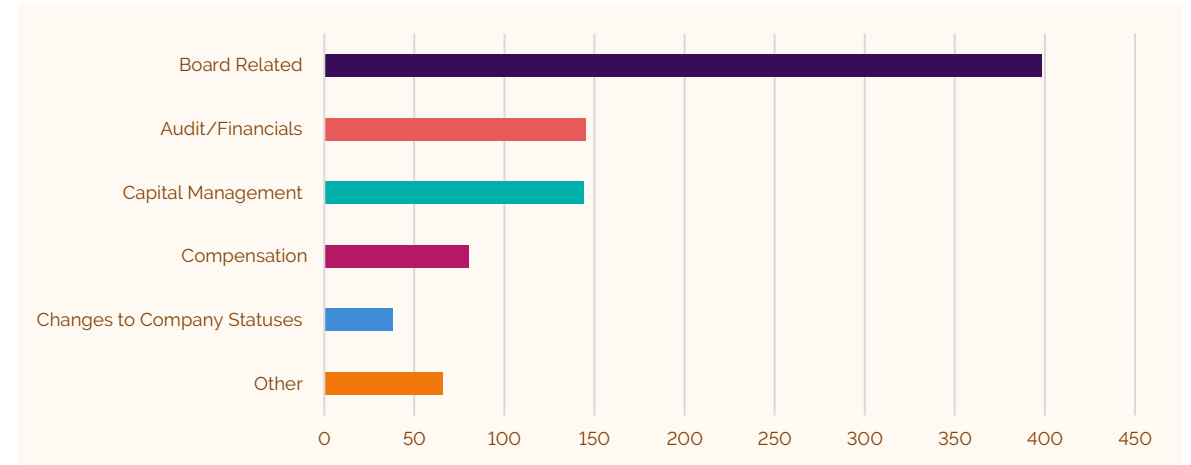


Management proposals – votes cast



Source: Glass Lewis

Voting by proposal category



Source: Glass Lewis

Significant votes

For the majority of resolutions, we vote in line with management. However, on occasion our opinion may differ from the position indicated by our voting policy and the RI framework used to assess company proposals.

Examples where Evelyn Partners voted against management in this quarter include:

- At **Apple's** AGM, we abstained for the advisory vote on executive compensation. The company does not provide ESG considerations in executive remuneration, particularly omitting incentives for executives to act in ways that mitigate a company's climate impact
- We had concerns around **Cerillion's** board composition, which is one of the few remaining UK public companies with an all-male board. We voted against the Chair of the nomination committee
- We supported a shareholder proposal at **Walt Disney** regarding a third-party review of accessibility and disability inclusion practices. There were concerns and reputational risks around the company's changes in Disability Access Service (DAS) eligibility and we believed a review would rebuild trust and mitigate risks
- We voted against a director at **Accenture** who also served on the audit committee, as we believe the committee should only consists of independent directors
- We voted against a director at **Air Products and Chemicals** due to overboarding, The nominee served as an executive of a public company while also serving on two public boards

Appendix

Specialist meetings with companies in Q1 2026

Company	Sector	Type	Environment	Social	Governance
Bank of America	Banks	Led by Morningstar Sustainalytics	X		
Cranswick	Consumer Staples	Collaborative	X		
Deere & Co.	Industrials	Led by Morningstar Sustainalytics	X		
easyJet	Transportation	Led by Evelyn Partners	X		
JPMorgan Chase & Co.	Banks	Led by Morningstar Sustainalytics	X		
Newmont	Metals & Mining	Led by Morningstar Sustainalytics		X	
Novartis	Healthcare	Led by Evelyn Partners		X	
Roche	Healthcare	Led by Evelyn Partners		X	
Schneider Electric	Electrical Equipment	Led by Morningstar Sustainalytics	X		
Severn Trent	Utilities	Led by Evelyn Partners	X		
Sherwin Williams	Chemicals	Collaborative (Evelyn Partners as co-lead)	X		
The Williams Companies	Energy	Led by Morningstar Sustainalytics	X		

Company	Sector	Type	Environment	Social	Governance
Unilever	Consumer Staples	Collaborative	X		
Veolia	Utilities	Led by Evelyn Partners	X	X	X

Contact

If you're interested in finding more about our investment management products & services, please contact me or visit www.evelyn.com

Katrina Brown

Head of Responsible Investment
Evelyn Partners Investment Management LLP
Katrina.Brown@evelyn.com

Further details about our approach to responsible investing and stewardship activities, including our sustainability disclosures and detailed proxy voting reports can be found here www.evelyn.com/about-us/corporate-responsibility/responsible-investing/

The Group's Investment Management business is a signatory of the UN PRI and UK Stewardship Code 2020 via its subsidiary company Evelyn Partners Services Ltd. This report applies to the following subsidiary legal entities of Evelyn Partners Group Ltd 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) | Dart Capital Limited (FCA) | Evelyn Partners International Limited (Jersey) | Evelyn Partners Investment Management (Europe) Limited (Ireland). Evelyn Partners Asset Management Limited is authorised and regulated by the Financial Conduct Authority and is a registered advisor with the US Securities and Exchange Commission.

Evelyn Partners UK legal entities are authorised and regulated by the Financial Conduct Authority (FCA) | 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.

45 Gresham Street, London EC2V 7BG

© Evelyn Partners Group Limited 2026