

Quarterly Stewardship Report

Q3 2025

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:

- Allows us to assess the investment landscape and align our approach with regulatory developments
- Ensures 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
- Improves the 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 in our RI team, 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: who meet with clients frequently and share their sustainability preferences up to governance committees to 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:



Nature Action 100

Find it, Fix it, Prevent it

We continue to 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 Q3 2025
Engagement with policy makers and other stakeholders	<ul style="list-style-type: none">Engagement meeting with FCA Head of Department for Advisers Wealth & Pensions and Consumer Investment on RI for portfolio management servicesProvided feedback on IA consultation responses for FCA SDR amendments and UK Government climate transition plan proposals
Stewardship with investees and assets	<ul style="list-style-type: none">Contacted 30 companies as part of our thematic engagements on climate, child labour, and UNGC watchlistMet with 4 companies to discuss their climate strategiesMorningstar Sustainalytics led 13 meetings with companies in our monitored universe (MU)5 collaborative initiative meetings with NA100, CA100+ and Investor Forum
Engagement with external managers	<ul style="list-style-type: none">Followed up with 8 funds where there were omissions of information according to our proprietary Sustainability Strength Rating (SSR) frameworkSent letters to 4 fund managers, notifying we would be voting against management at upcoming meetings
Client engagement	<ul style="list-style-type: none">Asset TV interviewed our Head of Responsible Investment, see link: ‘Is Sustainable Investing Entering Its Most Transformative Phase Yet?’Continued to produce RI and thought leadership pieces which can be found on our website including ‘Reasons to be cheerful part 3: Are global emissions peaking?’Held charities webinar on impact strategies
Collaboration	<ul style="list-style-type: none">Sponsored and contributed to Civil Society Media's A-Z Net Zero guideEdinburgh Futures Institute (EFI) ‘Futures in Focus’ event launch – a new chapter in our partnership with their Compassion and Financial Services HubParticipated in working groups such as CA100+ diversified mining group and Investor Forum remuneration roundtableAttended a Virtuvest session on industry-wide RI issues

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 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. These are:

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






These priorities largely 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 as well as direct investment assets, as can be seen from the case studies in the following section.





Case studies of engagement with companies

Direct meetings – private or with other investors to amplify influence – can cover several risks, including systemic risks and bottom-up priorities

Megatrend	RI priority	Engagement		
		Jet2 Plc Our climate engagement project with the most carbon intensive sectors	What we like <ul style="list-style-type: none">Jet2 has set a Net Zero by 2050 target and preparing to submit their target for validation with the Science Based Targets Initiative (SBTi) in late 2025 Challenges <ul style="list-style-type: none">Limited supply of Sustainable Aviation Fuels (SAF) as well as high costs associated with scaling up SAF	Stewardship Focus We met with Jet2's Head of Sustainability and Investor Relations Director to discuss the company's approach to decarbonisation. A key topic of the discussion were challenges surrounding SAF. As part of its commitment to sector-wide progress, they are actively involved in the Department for Transport's SAF working group. Jet2 have also invested in the Fulcrum NorthPoint Facility which secures direct supply of SAF from 2028. The company shared other measures they are implementing to decarbonise their operations, including investing in aircraft with 20% more fuel efficiency plus tactical fuel efficiency savings such as weight reduction initiatives across the cabin and lobbying for more direct routes.
Bumpy energy transition	Environmental resilience	Outcome We remain positive on Jet2's proactive approach to climate risk management, including their active participation in SAF policy in the UK. The company continues to advance in its climate strategy through targeted investments, stakeholder collaboration, and transparent reporting.		
		LVMH Sustainalytics-led engagement on supply chain labour rights	What we like <ul style="list-style-type: none">LVMH is a well-diversified portfolio of exceptional brands, trading at a reasonable valuationLeads its peers in areas such as raw materials sourcing Challenges <ul style="list-style-type: none">Labour management and corporate governance worth monitoring	Stewardship focus A meeting was held in September to discuss LVMH's governance, responsible purchasing practices, supplier capacity building & incident management. LVMH provided information about their audit programme, where country risk assessments and EcoVadis supplier scores are used to organise audits for the riskiest suppliers. In cases where a supplier was deemed unsatisfactory and not implementing actions to improve their processes, the company would stop working with them. LVMH flagged varying approaches they take in their supply chain with undocumented workers and child labourers. Where child labour was found, they work with suppliers and local partners to find ways to support the affected community in the long term.
Shifting demographics	Workplace standards	Outcome LVMH acknowledged the risks of labour rights violations in its supply chain and made public commitments to strengthen its audits & controls. We would like to see further disclosure from the company on grievance mechanisms and metrics to evaluate ESG performance.		
		JPMorgan Chase & Co. Pre-AGM meeting about shareholder proposal regarding an independent chair	What we like <ul style="list-style-type: none">A solid and consistently improving capital position underpinning capital return through dividends & buybacks Challenges <ul style="list-style-type: none">Governance concerns given Jamie Dimon's dual CEO and Chairman role which he has held since 2006	Stewardship Focus Prior to JPMorgan's AGM in May, we met with the investor relations team following a letter we sent to the company notifying we would be supporting the shareholder resolution. In the meeting, we clarified our voting rationale, emphasising the concentration of power, the importance of having mechanisms to challenge dominant voices in leadership, and understanding where a company goes in succession planning. It was noted Dimon may continue to serve as Chair after he steps down as CEO to ensure a smooth transition.
	Excellence in governance	Outcome Post meeting, we reaffirmed support for the shareholder proposal. Though JPMorgan reiterated their commitment to shareholder engagement & succession planning, we decided to downgrade JPMorgan in August given the governance concerns.		

Case studies of engagement with fund managers (collectives)

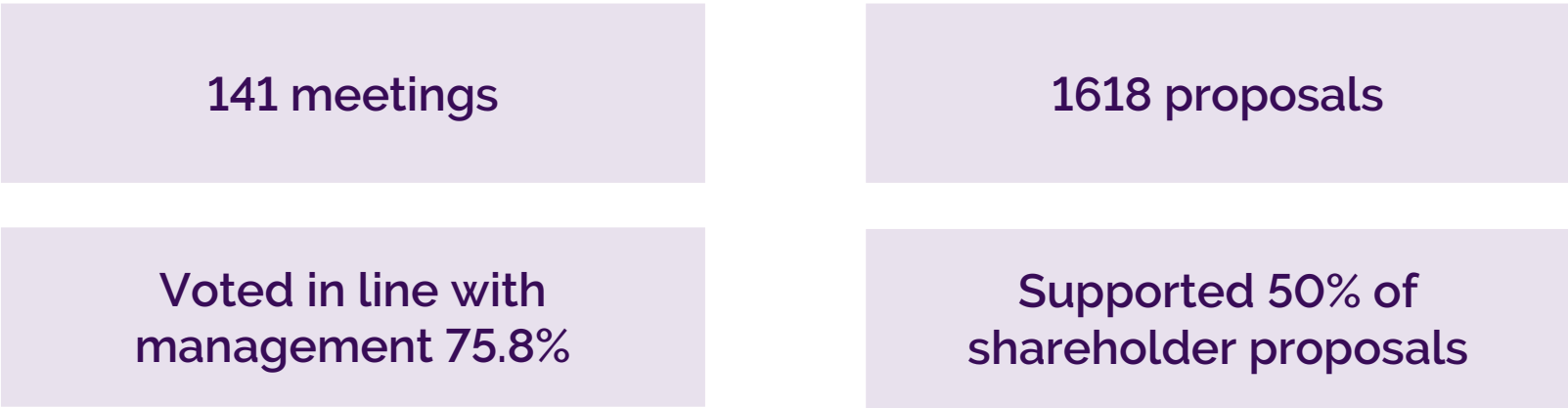
Due diligence with funds to ensure our values and standards are shared

Megatrend	RI priority	Engagement
 <p>Technological revolution</p>  <p>Bumpy energy transition</p>	 <p>Environmental resilience</p>  <p>Excellence in governance</p>	<div> <p>Sustainable Global Equity Fund</p> <p>Fund engagement on our behalf regarding water stress impact</p> <p>What we like</p> <ul style="list-style-type: none"> • Uses best-in-class ESG integration to identify companies driving long-term transformative changes • Incorporates a notable engagement process through its stewardship service provider <p>Challenges</p> <ul style="list-style-type: none"> • Increased environmental impact associated with the proliferation of AI <p>Stewardship focus</p> <p>Our analyst sought insight on engagements related to water intensity and water stress to better understand how data centres power AI.</p> <p>The fund team contacted us in July, sharing their new quarterly engagement pack and noting they had recently met with Microsoft to discuss the environmental impact of data centres. Microsoft explained that they had transitioned into a new type of data centre design that consumes zero water for cooling. The company has also publicly disclosed a water replenishment map which tracks its goal to replenish more water than it consumes across its global operations. At the time of the meeting, the portfolio had grown to 90 projects in over 40 locations across the world.</p> <p>Outcome The fund exhibits a strong stewardship approach, and we were pleased to see that the fund manager has been proactive and engaged on this increasingly important topic with companies in the tech sector. We retained a Positive rating on the fund.</p> </div>
		<div> <p>Asian Investment Trust</p> <p>Due diligence meetings with fund team and Chairman on performance</p> <p>What we like</p> <ul style="list-style-type: none"> • The wider Asia fund team has a defensive and quality approach • Additional sustainable criteria raises the bar <p>Challenges</p> <ul style="list-style-type: none"> • Prolonged and double-digit discount to net asset value (NAV) that the shares have been trading on • Sudden departures of managers in late August <p>Stewardship focus</p> <p>We met with the fund team in July to discuss the recent underperformance over the past 9 months. In August, a further meeting was organised with the Chairman, where we urged the board to consider pulling every lever they can.</p> <p>It felt to us that the board were worried about pulling further levers to control the valuation discount as it would lead to the trust shrinking. However, we made the point that shrinking to grow could have been the best bet as the alternative could be enhanced risk of aggressive shareholders forcing their way in. The Chair agreed new methods were needed.</p> <p>We asked them to consider reducing the management fees that are charged by the trust as they were expensive compared to the peer group. We also got positive feedback from the Chair on this issue.</p> <p>Outcome Since the meeting in August, the trust announced a reduced management fee; the introduction of a 3-year performance related tender offer (for up to 25%), tested over 7 years (i.e. of which 4 years have elapsed already, meaning that the managers will need to make up the historical underperformance, and exceed the Index. Though we had a useful meeting with the Chairman, there was a sudden departure of the long-term fund managers in late-August. We were given no indication of their departures in the meeting earlier and decided to downgrade the fund from Top Picks to Neutral.</p> </div>

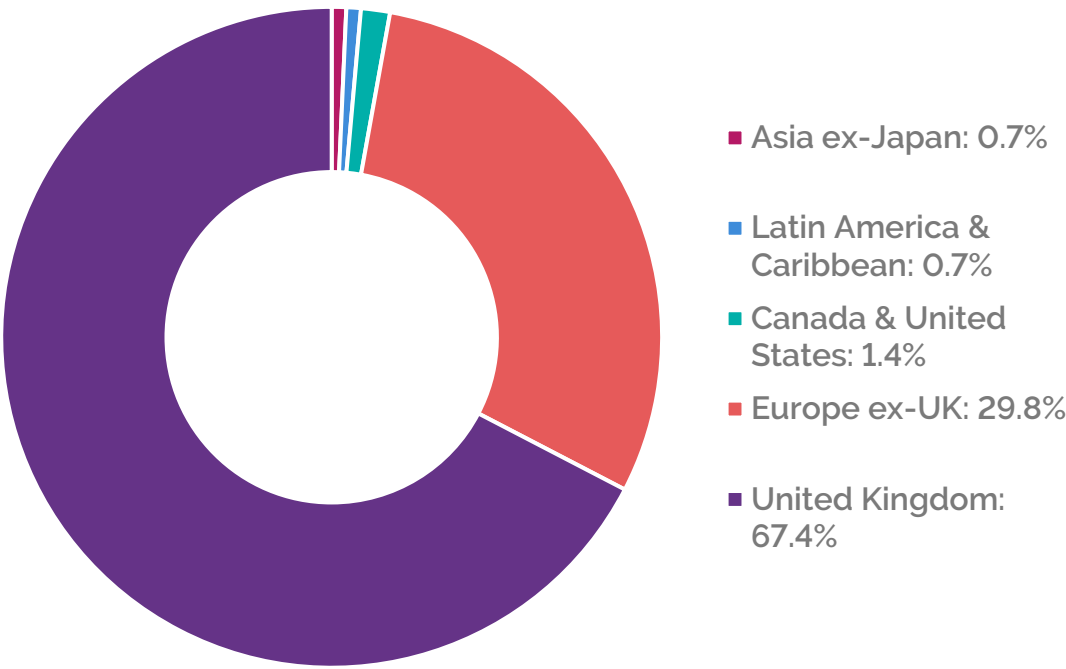
PROXY VOTING

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, our in-house pooled Evelyn Partners funds, and any situation where our materiality threshold is met.

How we voted this quarter

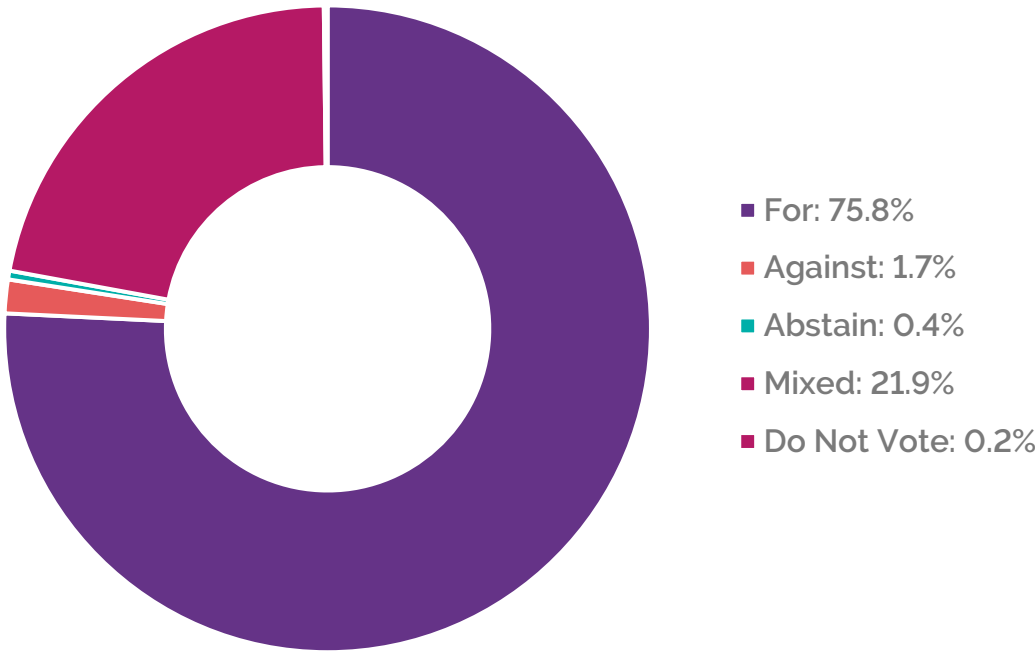


Voting by region



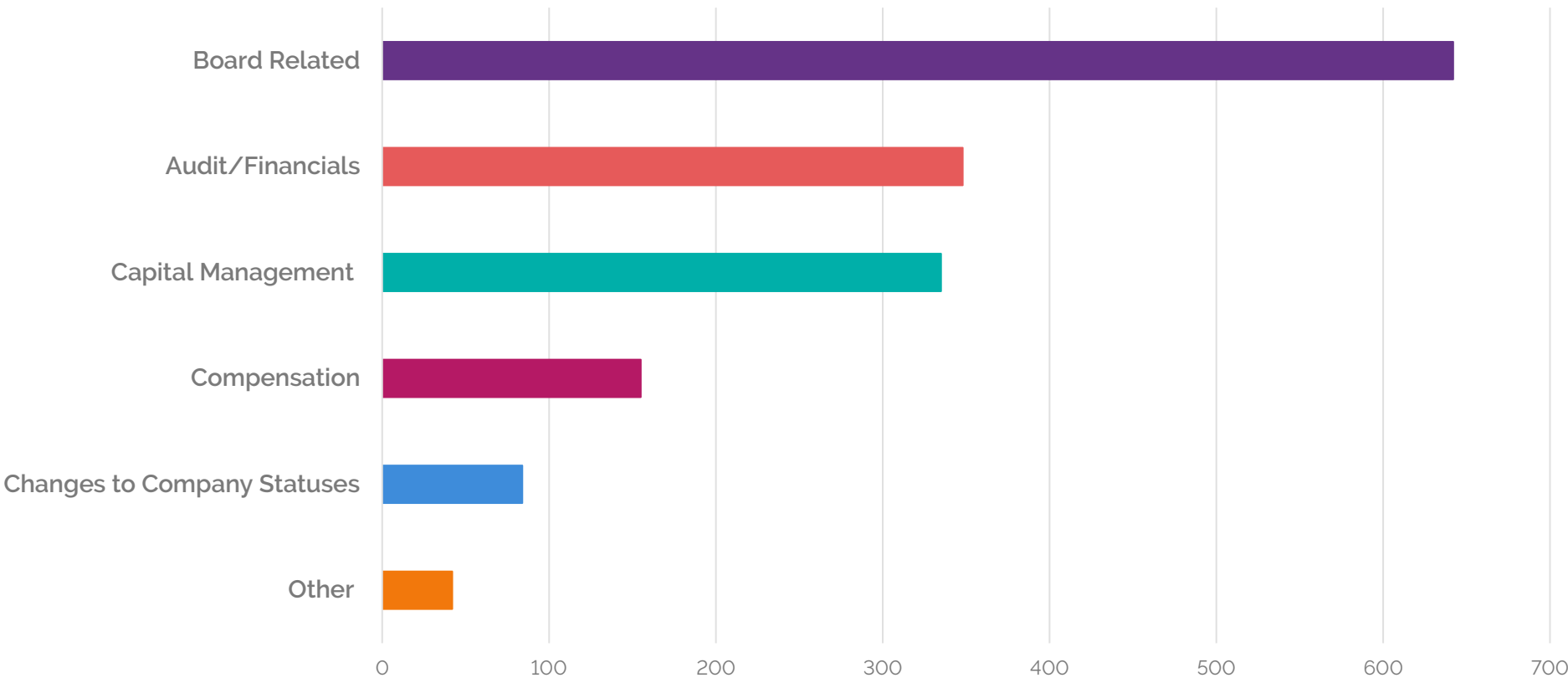
Source: Glass Lewis

Management proposals – votes cast



Source: Glass Lewis

Voting by proposal category



Source: Glass Lewis

Significant votes

For most of our voting activity, we vote in line with management. However, on occasion our opinion may differ through the application of our ESG overlay to assess company proposals.

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

- We voted against a director at **Linde plc** due to over boarding. The nominee served as an executive officer of a public company as well as two public company boards which we believed would impede on the ability to fulfil the responsibilities required
- Nike's** multi-class share structure, is typically not in the best interests of common shareholders. Therefore, we voted against the most senior member of the committee in charge (Corporate Responsibility, Sustainability and Governance Committee)
- We supported a shareholder proposal at **Marks & Spencer** regarding a report on wage policies. Our view was that the proposal would allow shareholders to better understand how the company is managing and mitigating its human capital risks
- We cast a vote against a director at **Tate & Lyle** who attended less than 75% of board and committee meetings, due to the board's failure to provide an explanation for the director's attendance
- We voted against the approval of the climate-related financial disclosure at **Pennon**. Although the disclosures were reasonable, the lack of transparency around shareholder engagement following low support in the 2024 vote was concerning

APPENDIX

Specialist meetings with companies in Q3 2025

Company	Sector	Type	Environment	Social	Governance
AstraZeneca	Pharmaceuticals, Biotechnology & Life Sciences	Led by Morningstar Sustainalytics and collaborative			X
American Water Works	Utilities	Led by Evelyn Partners	X		
Bank of America	Banks	Led by Morningstar Sustainalytics	X		
BHP Group	Metals & Mining	Led by Morningstar Sustainalytics	X		
Canadian Pacific Kansas City	Transportation	Led by Evelyn Partners	X		
GSK Plc	Pharmaceuticals, Biotechnology & Life Sciences	Led by Morningstar Sustainalytics			X
Jet2 Plc	Consumer Services	Led by Evelyn Partners	X		
LVMH	Textiles, Apparel & Luxury Goods	Led by Morningstar Sustainalytics		X	
Mondelez	Food Products	Collaborative	X		
NextEra Energy	Utilities	Led by Morningstar Sustainalytics	X		
Pfizer	Pharmaceuticals, Biotechnology & Life Sciences	Led by Morningstar Sustainalytics			X
Proctor & Gamble	Household & Personal Products	Led by Morningstar Sustainalytics	X		
Reckitt Benckiser	Household & Personal Products	Collaborative			X
Rio Tinto	Metals & Mining	Collaborative	X		
Severn Trent	Utilities	Led by Evelyn Partners	X		

Company	Sector	Type	Environment	Social	Governance
Shell Plc	Energy	Led by Morningstar Sustainalytics	X		
Sherwin Williams	Chemicals	Collaborative	X		
Texas Instruments	Semiconductors & Semiconductor Equipment	Led by Morningstar Sustainalytics			X
TotalEnergies	Energy	Led by Morningstar Sustainalytics	X	X	
UnitedHealth	Healthcare Equipment & Services	Led by Morningstar Sustainalytics		X	
Wheaton Precious Metals	Metals & Mining	Led by Morningstar Sustainalytics		X	

Contact

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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:

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