Stewardship and Responsible Investment Policy for 2024 - Close Brothers Asset Management – IMLRBS Fiduciary Manager

We seek to protect our clients' investments from risks and to capitalise on opportunities to increase their wealth. These risks and opportunities include Environmental, Social and Governance (ESG) related issues, which can arise from how entities in our investment universe interact with their stakeholders and the societies and environments in which they operate.

The Stewardship and Responsible Investment Policy sets out how we will fulfil the stewardship and responsible investment duties we have to our clients. Our responsible investment philosophy is rooted in our fiduciary objective to help our clients meet their financial goals by being an active and effective steward of their capital.

Our Investment Management business is constituted of two core units: one offering fund solutions, and the other, as in this instance, offering a bespoke investment solution where clients request we reflect their values. As active investors, we endeavour to understand the opportunities and risks for all our investments across all asset classes and geographies. The Policy sets out our approach to Stewardship and Responsible Investment on a firm-wide level.

The Responsible Investment team oversees the implementation of the Policy alongside enhancements to our responsible investment approach over time.

The ESG Investment Committee informs the firm's approach under the Policy and ESG considerations of the firm's investment process. It consists of the Responsible Investment team, investment managers representing all products and services, research analysts and is chaired by our Head of Responsible Investment.

The Policy and associated activities are reviewed by Close Brothers Asset Management's (CBAM) Investment Review Committee which is chaired by the Chief Investment Officer (CIO). The Policy is reviewed at least annually and updated as necessary.

We view the integration of ESG factors within the investment process to be an evolving, iterative process that we, alongside the wider industry, intend to refine and develop as our understanding of ESG considerations and their impacts on the value of investments grows.

Where or when any such material evolution in our understanding occurs, we intend to develop our Policy accordingly.

The CIO is responsible for the governance framework for all investment solutions and the implementation of the Policy's commitments. The CIO is also responsible for upholding the standards set within the Policy, including the integration of ESG considerations within the firm's investment process, proxy voting and our engagement activities with investee issuers.

We have created the third edition of our Stewardship and Responsible Investment Report. This report is aligned to and guided by the twelve 'apply and explain' principles set out by the Financial Reporting Council (FRC) in the Stewardship code 2020.

CBAM – Sustainability and responsible investing.

Voting

CBAM uses proxy voting on behalf of IMLRBS. CBAM uses ISS's Proxy Voting Services, whose services can be viewed view the following link.

[Proxy Voting Services | ISS (issgovernance.com)](#)

The link above reports on the active votes made by CBAM on 4,950 items including more details on votes against management.

[Voting Report Financial Year 2024](#)

Overview of MSCI's ESG Ratings

MSCI ESG Ratings aim to measure a company's management of financially relevant ESG risks and opportunities. They use a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. MSCI's ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). They also rate equity and fixed income securities, loans, mutual funds, ETFs and countries. [Brochure](#).

IMLRBS - Portfolio

The IMLRBS portfolio had the following breakdown as at the end of Q2 2024;

AAA	15%
AA	25%
A	32%
BBB	10%
Unrated	18%

NAH/ADH