

IW&I Responsible Investment Policy



Responsible Investing at IW&I

We have a responsibility to preserve and grow the wealth that is entrusted to us over the long term, and we understand that we need to do this by investing responsibly on your behalf.

We are committed to delivering exceptional service to our clients, creating enduring worth for our stakeholders and contributing meaningfully to our people, communities and the planet in line with our core principles. Environmental, Social and Governance (ESG) considerations are embedded into our investment processes, as is our active engagement with the businesses that we include in client portfolios.

This policy outlines the IW&I approach to responsible investment and demonstrates our commitment to, and support of, the UN Principles for Responsible Investment (PRI) to which we are signatories. The UN PRI defines responsible investment as ‘a strategy and practice to incorporate environmental, social and governance factors in investment decisions and active ownership’.

ESG Integration

Our Investment and Research Office (IRO) incorporate ESG factors into our investment analysis as standard across all centrally researched investments and asset classes.

Examples of factors considered may include, but are not limited to, the following:



Within our direct equity and fixed income coverage, our in-depth financial analysis is strengthened by the use of Sustainalytics, a global leader in ESG research and risk metrics. This provides information on nonfinancial measures such as a company’s environmental credentials, business ethics, and exposure to human rights issues.

Our collectives research analysis covers fixed income, equities, property, infrastructure, and other alternative assets. A key component of our approach here is to establish a thorough understanding of how managers incorporate ESG into their funds. This information is sourced through proprietary questionnaires and face-to-face meetings with management.

Voting and Engagement

We also exercise voting rights on behalf of our discretionary clients, and will engage with the boards of companies where appropriate. We partner with Institutional Shareholder Services (ISS), which provides us with governance and voting analysis as an input into our decision making, with our overall voting and engagement activities overseen by a Corporate Governance Committee.

You can find out more about our ESG and Stewardship policies on our website: [Our Guide To Responsible Investing](#) | [About Us](#) | [Investec](#)

Governance and Oversight

Overall responsibility for review and approval of this Responsible Investment Policy is held by the Investment Committee, which is chaired by the Chief Investment Officer (CIO). The policy will be reviewed and updated on a periodic basis, no less frequently than every 24 months, subject to there being no material changes. The Investment Committee reports to the IW&I Executive Committee.

The ESG and Stewardship policies which underpin our approach to responsible investment are also reviewed and approved by the Investment Committee on a periodic basis.

Exclusions

An exclusion is the act of not investing in a particular company or sector due to business activities that could be deemed by some as unethical or harmful.

We do not have an IW&I Exclusions Policy. Our clients hold diverse views regarding the activities they believe cause harm to the planet or society. Our approach to exclusions is client-led enabling clients to exclude securities and/or sectors from their portfolios on the basis of their own personal values.

Tailoring client portfolios

There are a number of ways that we can tailor portfolios to reflect client preferences:

Sustainability Focus

We can concentrate individual equity holdings towards those which have higher ESG ratings, or use funds which focus their portfolios on more ESG-sustainable businesses. Our Research Team maintain a list of best-in-class funds which have a good ESG rating, sustainable focus, or which aim to generate a positive impact. This list sits in line with our central views and can be used to focus client portfolios accordingly.

Specialist Focus

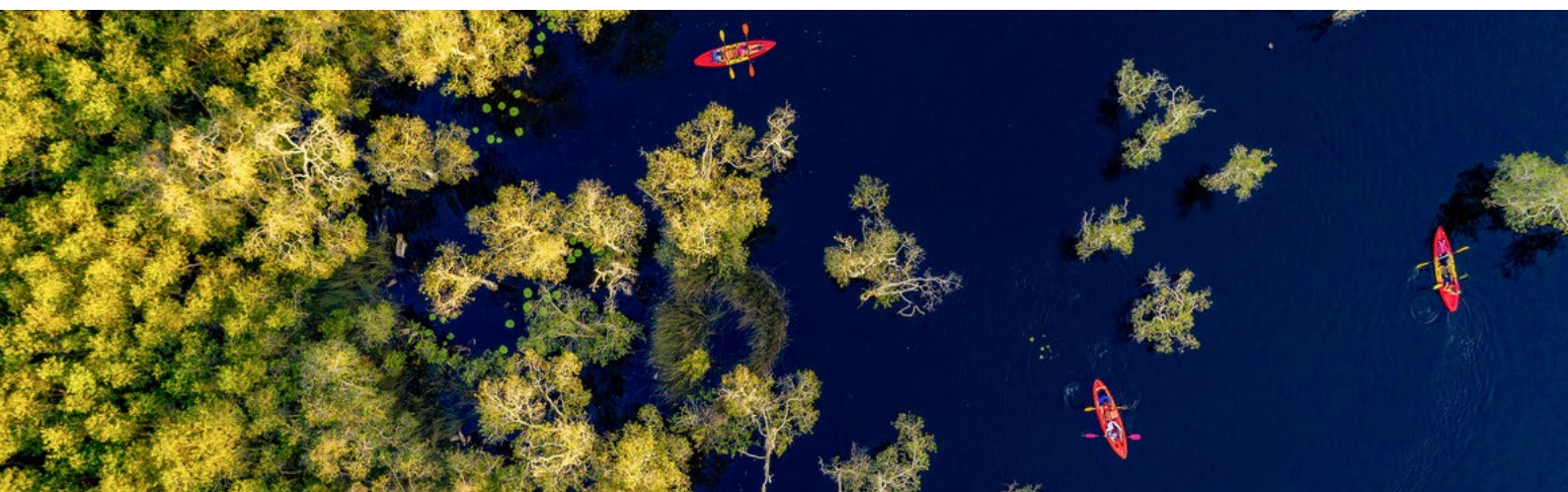
IW&I maintain a broad list of investments, including names with exposure to areas that have a positive ESG impact, such as environmental funds and social housing investment trusts. We can incorporate these names into portfolios if clients wish to have more specific exposure to these type of themes.

Ethical Focus

We can utilise a screening service to identify companies engaged in activities which may conflict with client values, so they can be excluded from portfolios as preferred. Exclusions can only be applied where direct equities are held within the portfolio.

Investment Managers are more than happy to discuss the best approach to creating a tailored portfolio to reflect individual client views and values. The value of investments and the income derived from them can go down as well as up and clients may not get back their initial investment.

Policy Updated on 31st March 2023



It is important to note that investment portfolios that contain ethical restrictions or exclusions typically exhibit a greater degree of fluctuation to their value than those without such restrictions or exclusions. It is more likely that such portfolios will exhibit significantly different performance to the wider market or benchmark in certain circumstances. The application of ESG (Environmental, social responsibility and corporate governance) exclusionary criteria may restrict the types and number of investment opportunities available for inclusion within your investment portfolio. It may also mean that investments must be sold when it would be disadvantageous to do so should an asset fail to meet the screening criteria in the future. In assessing the ESG credentials of an investment we are reliant on data and analysis provided by third parties which may not be accurate, complete or available, and which may be subject to change in the future.

Belfast	02890 321002	Cheltenham	01242 514756	Guildford	01483 304 707	Manchester	0161 832 6868
Birmingham	0121 232 0700	Edinburgh	0131 226 5000	Leeds	0113 245 4488	Sheffield	0114 275 5100
Bournemouth	01202 208100	Exeter	01392 204404	Liverpool	0151 227 2030		
Bristol	01172 444860	Glasgow	0141 333 9323	London	020 7597 1234		

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