EVELYN PARTNERS GROUP LIMITED

CORPORATE RESPONSIBILITY REPORT

for the year ended 31 December 2022

evelyn
PARTNERS

Corporate Responsibility Report

Evelyn Partners has a strong commitment to corporate responsibility. It is core to our purpose, our culture and business strategy, as we continue to embed ESG into our corporate operational processes.

For wealth managers and financial advisers, such as us, who are entrusted with the stewardship of our clients' capital, it is also important to ensure that ESG considerations are embedded within our responsible investment processes.

The Group is committed to being a responsible corporate citizen in managing the impact of our business activities on the environment for all stakeholders including clients, colleagues, investors and the wider community. We seek to:

- minimise our environmental footprint
- provide a professional and supportive workplace
- attract, develop and retain people from diverse backgrounds
- deliver the best possible service to all our clients.

To bolster sustainability throughout the organisation, we aim to engage our colleagues and stakeholders, including our broader communities, to consider sustainability alongside other key business drivers. Ultimately, we are working towards a sustainable future.

Governance

The Board has delegated the day-to-day management of its corporate responsibility to the Group Executive Committee (GEC).

In 2021, the GEC appointed the Corporate Responsibility Committee (CRC) to oversee these activities. The CRC was responsible for setting and monitoring the Group's approach to the Corporate Responsibility strategy and leading the Group's work on ESG. The CRC, supported by the Board and the GEC, made significant strides in progressing the corporate social responsibility agenda.

The Group refined its approach in September 2022; the CRC was disbanded and ESG is now discussed formally by the GEC at a monthly ESG meeting, chaired by Chris Woodhouse, the Group Chief Executive Officer (CEO). The GEC is responsible for setting and monitoring the Group's approach to the Corporate Responsibility strategy and leading the Group's work on ESG.

The GEC's activities, and formerly the CRC Committee's, activities, are co-ordinated by its Chair and divided into four pillars. The strategy of each pillar is considered across the entire business.

The GEC sponsors of each pillar during the year were:

Pillar	Sponsor
Environment	Andrew Baddeley, Group Chief Financial Officer
Responsible Investment	John Erskine, Chief Investment Management Director
People	Benne Peto, Group Chief People Officer
Charities and Communities	Nicola Mitford-Slade, former Group Legal Counsel [Note 1]

Note 1: Following Nicola Mitford-Slade's retirement in December 2022, Charley Davies, Group Legal Counsel, replaced Nicola as the Charities and Communities pillar lead in January 2023.

ESG activities were reported to the Board on a quarterly basis by the GEC and pillar leads. Chris Grigg, the Chair of the Board, attended CRC meetings as an observer.

In the latter part of 2022, the Board ESG Committee was established, comprised of Non-Executive Directors only, and chaired by Chris Grigg. The inaugural meeting will take place March 2023 and it will meet quarterly.

Chris Grigg, as Chair of the Board ESG Committee will have responsibility for Board oversight of corporate social responsibility and Chris Woodhouse, as Group Chief Executive Officer, will have ultimate executive responsibility for corporate social responsibility.

In 2022, governance of ESG was strengthened with the introduction of the ESG policy. This policy sets out our approach to each element of ESG and how it is considered both operationally and within responsible investments. It outlines how ESG is considered throughout the value chain which includes suppliers, employees, clients, investees and shareholders. It is available to view on our website at evelyn.com.

The risk management framework sets the oversight requirements and supports our Corporate Responsibility strategy. We recognise that corporate responsibility brings significant risks and opportunities which are addressed under our risk management framework.

Key highlights

Pillar	Objectives	Key highlights
Environment	We are committed to managing our business in a sustainable way to minimise our impact on the environment, both in our operations and through the value chain.	• We are working towards Net Zero in our corporate operations **See pages 4 to 8** • We introduced the environmental management framework and environment policy **See page 4** • We moved to two BREEAM 'Excellent' rated offices in London and Birmingham. 45% of colleagues are located at 'Excellent rated offices **See pages 4 to 5** • We are supporters of CDP and completed our first CDP questionnaire **See page 6** • We measured all Scope 3 categories 1-14 and have reported on these emissions **See page 5 to 6** • We introduced a new procurement policy. The policy includes our ESG expectations of our suppliers within the Supplier Code of Conduct **See page 19**
Responsible investment	As Responsible Investors, we incorporate ESG factors alongside purely financial considerations in investment decisions and practise active ownership and stewardship.	• UN PRI and UK Stewardship Code 2020 obligations frame the Group's investment process, policies, and procedures **See page 9** • We engage with collaborative engagement platforms (The Investor Forum and Climate Action 100+). In 2022, we became a founding member of the CCLA Corporate Mental Health Benchmark **See page 10** • Systems, third-party research tools and databases, screening and sector specialists assist in measuring ESG factors and sustainability risks **See page 10** • We were awarded 'ESG Initiative of the Year' at the International Adviser Awards 2022 – see 'Our Sustainable Products and Services' **See page 10-11**
People	Our ability to attract and retain an inclusive and diverse pool of talent is central to our success. A competitive reward model supported by colleague training and development is key, as is inclusion, diversity, equality and mental and physical wellbeing.	• The Smart Working framework has enabled better planning of facilities and reduced travel for colleagues **See page 12** • In 2022, we reviewed the inclusion and diversity strategy and appointed a dedicated Inclusion and Diversity Director **See page 12-14** • We issued our Women in Finance Charter Statement and our Gender Pay Gap Report **See page 13** • We were awarded a BRONZE status on accreditation by the Inclusive Employers Standard (IES) **See page 13** • We joined 'The Business Disability Forum' **See page 13** • We continue to support colleagues' physical and mental wellbeing and have an active programme of wellbeing events **See page 14** • We launched career development and leadership programmes **See page 14 to 15**
Charities and communities	We have a wealth of talent and experience within our business and support communities through pro-bono work, volunteering and charitable giving.	• The Group's corporate charitable objective is to improve inclusion and diversity in financial and professional services. **See page 16** • We donated £100,000 to Impetus, an organisation transforming the lives of young people from disadvantaged backgrounds, and supported Impetus charities through provision of pro-bono work and volunteering **See page 16** • The Group donated £100,000 to the British Red Cross Ukraine Crisis Appeal. • We increased our colleague matched fundraising to £500 for an individual and to £2,500 for each team fundraising event **See pages 16 to 17** • The Evelyn Partners Charitable Trust made donations of £64,000 during the year. **See page 17** • We participate in programmes which support our inclusion and diversity strategy. **See page 17**

Environment

We are committed to managing our business in a sustainable way to minimise our impact on the environment. Our environmental considerations include waste (paper, recycling and plastics), food, water, biodiversity and deforestation, energy efficiency and carbon emissions. We select sustainable buildings and ensure our offices are sustainably fitted-out to high standards. We are striving to achieve the relevant UN goals on meeting environmental targets and have set ourselves the goal of achieving Net Zero on our corporate operational emissions as soon as possible.

We are supporters of the Taskforce for Climate-related Financial Disclosures (TCFD) reporting framework and its recommendations and are pleased to include a Climate-Related Financial Disclosures Report on pages 20 to 28.

Environmental considerations are also embedded within our investment processes. Further details can be found in the Responsible Investment section on pages 9 to 11.

Why it's important

The impact of climate change has contributed to extreme floods, wildfires, droughts and storms in various parts of the world. Temperature records continued to be broken as evidenced by the extreme weather events which occurred globally throughout the year. Based on current pathways and trajectories, climate scientists report that the window to take action and avoid the most severe impacts of climate change is narrowing. To ensure a sustainable future, the onus is on all of us to reduce our climate impact.

Governance

The Environment pillar is headed by Andrew Baddeley, the Group Chief Financial Officer (CFO), and a member of the Board and GEC. As environment pillar lead. his role is to ensure that the environment is considered throughout the business, to lead and oversee the activities being undertaken to meet the Group's strategy of achieving operational Net Zero. He is supported in these activities by the Board, the GEC and by senior management and colleagues throughout the business. In 2022, Andrew reported to the Board on progress against the Environment strategy on a quarterly basis. This will be reported to the Board ESG Committee quarterly from March 2023 onwards.

Activities during the year

This year, our activities focused on implementing policies, improving processes and data, and measurement of additional Scope 3 category emissions across our value chain, including limited disclosures related to Scope 3 category 15 the 'financed emissions'. Progress relating to financed emissions are discussed within the Responsible Investment section on page 11.

The key activities were as follows:

Policies

Following the introduction of the ESG policy, we introduced the environmental management framework (EMF) and the environment policy.

The EMF embeds the TCFD requirements within the organisation's policies; it covers the key areas of governance, strategy, risk management, opportunities, metrics and targets and is the over-arching framework relating to the environment. The environment policy supports the EMF and details our environmental approach, gives detailed guidance and sets out expectations and direction of travel. The policy deals with energy, waste and recycling, food, water efficiency, biodiversity, sustainable buildings and sustainable fitouts and our approach to the value chain.

Both the EMF and environmental policy were approved by Board and will be reviewed annually.

Measurement of emissions

We worked with our climate consultants to expand the measurement of Scope 3 emissions across all categories, excluding 'financed emissions'. The Scope 3 measurements were completed for both 2021 and 2022, aiding our understanding of our impact and informing the environment strategy going forward.

The emissions tables on pages 5 and 6 detail the impact by category.

Sustainable building

In 2022, we completed the sustainable fitouts of two key premises where 45% of our colleagues are based.

Gresham Street, London

In May 2022, approximately 1,600 colleagues were relocated to Gresham Street. Our London colleagues, previously housed in four separate locations, were re-located into one London office.

The Gresham Street office has been fitted out to high standards of environmental sustainability and to accommodate smart and agile working, which has allowed us to reduce our office space and support our operational sustainability efforts.

The Gresham Street building is BREEAM-rated 'Excellent'. BREEAM is the world's leading science-based suite of validation and certification systems for the sustainable built environment.

Environmental features of the building include:

- the air handling units benefit from thermal wheel heat recovery which improves energy efficiency by 70%
- a high efficiency cooling tower which utilises 78% less fan power compared to a traditional cooling tower

- a 735 square metres sedum (green) roof and a rooftop beehive with 13,500 bees and a dedicated beekeeper, to promote biodiversity
- green spaces provided by the many plants throughout the building absorb internal carbon emissions
- sensor LED lighting throughout
- an accessible bike storage area for 150 bicycles and no car parking spaces.

Colmore Row, Birmingham

In June 2022, approximately 150 colleagues were relocated to Colmore Row. Our Birmingham colleagues, previously housed in two separate locations in Birmingham, were able to re-locate into one office and reduce our required office space.

The Colmore Row office has similarly been fitted out to high standards of environmental sustainability and to accommodate smart and agile working. It is also a BREEAM-rated 'Excellent' building.

Environmental features of the building include:

- it is the first commercial office development in Birmingham's central business district to benefit from the City's District Energy Scheme, a scheme which aims to cut CO2 emissions by 60% by 2027
- it has an EPC rating of A; it is the first building to achieve this in Birmingham City Centre. Power is produced by low and zero carbon technologies
- it benefits from a unique closed loop recycling scheme with Protec
- it has a 'Wiredscore' rating of Platinum indicating a best-in-class digitally connected building, with reduced power requirement
- green spaces are provided by the many plants throughout the building absorbing internal carbon emissions. It also features a quadruple-height winter garden
- sensor LED lighting throughout
- an accessible bike storage area for 92 bicycles and dedicated electric car charging points.

Bothwell Street, Glasgow

Our newly secured office space at 177 Bothwell Street, Glasgow, is likewise a BREEAM-rated 'Excellent' building. It is a fully electric building with 100% renewable energy supplied from a local source. Other sustainable features will include a rooftop running track and 318 cycle spaces.

The fit-out is in progress and will be completed in the first half of 2023; colleagues are expected to relocate there in summer 2023.

Sustainable facilities

Following these office moves, we replaced disposable cups and cutlery with re-useable crockery, cutlery and glasses. The board room table is made with Richlite, a sustainable solid paper composite.

As part of the rebrand to Evelyn Partners, all colleagues were issued with a travel mug, re-usable water cannister and a sustainable bag. These are also issued to all new starters.

We purchase ethically sourced catering supplies (tea, coffees and other refreshments) and select locally sourced foodstuffs where possible. We use bio-degradable waste sacks and environmentally friendly cleaning products.

We continue to develop our understanding of our climate impact by office so that we may set a realistic climate reduction plan for each office. Our initial focus is on our larger offices and those where we procure services directly.

Renewable energy

As a large group with offices across the United Kingdom, as well as the Republic of Ireland and the Channel Islands, we source energy for our offices through a number of providers, both directly and indirectly, dependant on the office location, the energy sources available and the leasehold arrangement.

Where we procure energy directly, we aim to increase our energy from renewable sources. In 2022, 83% of our directly procured energy and 61% of our total energy, was supplied from renewable sources supported by Renewable Energy Guarantees of Origin (REGO) certificates. The REGO scheme provides transparency to consumers about the proportion of electricity that suppliers source from renewable generation.

As we move more of our business into sustainable buildings, we will naturally increase the percentage of energy from renewable sources.

Scope 1, Scope 2 and Scope 3 emissions

During the year, we worked with our climate consultants to include all Scope 3 emission categories, excluding financed emissions, in our assessment. This exercise was completed for both the year ended 31 December 2022 and the year ended 31 December 2021. For further details regarding the 'financed emissions', see page 28.

Scope	**Description**	**Emissions tCO_2e 2022**	Emissions tCO_2e 2021
Scope 1	Direct emissions from the combustion of gas & fuel	**393.8**	286.9
Scope 2	Indirect emissions from the purchase of gas & electricity (location based)	**1,033.1**	1,225.0
Scope 3	Total Scope 3 emissions, excluding financed emissions	**42,613.6**	43,695.3
Total emissions, excluding financed emissions		**44,040.5**	45,207.2

An explanation of the movement in the emissions from scope 1 and 2 are detailed under Streamlined Energy and Carbon Reporting (SECR) on page 7.

Our Scope 3 emissions are further analysed as follows:

Scope 3 Category	Description	Emissions tCO_2e 2022	Emissions tCO_2e 2021
1	Purchased goods and services	**35,474.6**	31,880.9
2	Capital goods	**2,690.0**	8,155.0
3	Fuel and energy related activities	**428.2**	504.7
4	Upstream transportation and distribution	**188.0**	221.0
5	Waste generation in operations	**58.3**	43.9
6	Business travel	**1,021.5**	303.8
7	Employee commuting (and homeworking)	**2,753.0**	2,542.0
8	Upstream leased assets	**-**	44.0
Total Scope 3 emissions, excluding financed emissions (note 1)		**42,613.6**	43,695.3

Note 1: Scope 3 category 13 is captured within Scope 3 category 1-8 emissions. Scope 3 categories 9 to 14 are not applicable to our business.

The table clearly shows that the majority of our emissions are generated from Scope 3. The largest proportion of Scope 3 excluding financed emissions are from Category 1 – Purchased goods and services (83.2%). This is higher due to the increased activities as colleagues returned to offices post Covid-19, and also due to the increase in trading volumes and number of employees. To reduce this, we will focus on reducing emissions associated with purchased goods and services by engaging with suppliers on climate strategy and exploring the use of less carbon intensive supplies and services. Category 2 – Capital goods emissions were significantly reduced from 8155.0 (18.7%) to 2,690.0 (6.3%) during the year as we completed the fitouts and moved into our new offices in London and Birmingham, both large projects with significant capital outlay. Category 7 – Commuting and homeworking (6.5%) rose by 8.3% as we returned to the office. Lastly, Category 6 – Business travel saw a significant increase as business travel returned following the lifting of significant travel restrictions in place globally in 2021.

Overall, despite the return to a normal post-Covid-19 year and an increase in trading volumes, we were pleased to note a reduction in total emissions, excluding financed emissions, of 2.5%.

We have included limited disclosures relating to Scope 3 category 15 'financed emission' on page 28 and will expand on these disclosures in the years ahead.

Scope 3 and the supply chain

To enhance our understanding of ESG within the value chain, we circulated a pilot ESG questionnaire to key suppliers, from large to small organisations and across different sectors. We are reviewing external solutions for evaluating ESG by supplier and will further develop the ESG strategy relating to our suppliers. As mentioned, this will include engaging with suppliers to understand their Climate Strategy as we work towards reduction of our upstream Scope 3 emissions.

In 2022, we introduced a new Group procurement policy which includes a Supplier Code of Conduct. This policy sets out Evelyn Partners' ESG expectations of our suppliers and how we will assess ESG. Further information can be found on page 19.

CDP

During 2022, we signed up as supporters of CDP (formerly the Carbon Disclosure Project) and completed our first CDP climate questionnaire to track and benchmark our progress as we reduce our climate emissions. We achieved a 'C' rating and will improve on this in the years ahead.

This will be completed annually to enhance transparency of our progress. On reducing our environmental impact.

Employee Engagement and Awareness

Our people and colleagues play a vital part in transitioning to Net Zero on our corporate operations. Learning and development around ESG is a key priority for the Group.

To support our endeavours, early in 2023, we launched an Environment Steering Committee and an Environment Forum. The roles of both are to promote, champion and support our environment strategy and to increase awareness of our Environment agenda and to be a sounding board for ideas and initiatives with a view of improving our approach, implementing and developing our agenda. Both will meet at least on a quarterly basis to communicate activities and progress.

Streamlined Energy and Carbon Reporting (SECR)

As a UK incorporated, large organisation, Evelyn Partners is required to report its UK energy under the SECR requirements on its greenhouse gas (GHG) emissions in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The table below summarises the energy consumption and GHG emissions for the Group for the year ended 31 December 2022, with comparatives for the year ended 31 December 2021, measured in metric tonnes of carbon dioxide equivalent (tCO_2e). Please see note 52 for a list of the companies included in the Evelyn Partners Group.

	tCO_2e 2022	tCO_2e 2021
Energy consumption used to calculate emissions, kWh	**7,450,804**	7,699,130
Scope 1 Emissions from combustion of gas	**394**	287
Scope 2 Emissions from purchased electricity (location-based)	**983**	1,218
Scope 3 Emissions from business travel in rental cars or employee-owned vehicles, where company is responsible for purchasing the fuel	**74**	97
Total gross (Scope 1, 2 and 3, as above)	**1,451**	1,602
Intensity ratio: tCO_2e / FTE	**0.43**	0.58
Scope 2 Emissions from purchased electricity (market-based)	**408**	1,218
Outside of Scopes	**7**	-

Scope 1 emissions increased (37.3%) as a result of a return to offices post-Covid. However, the combined Scope 1 emissions of the legacy entities in 2019 were 559 tCO_2e the last normal pre-Covid year, 42% higher than 2022. Emissions from purchased electricity (location-based) decreased by 19.3% to 983. This is calculated using DEFRA location-based averages. Emissions from purchased electricity (market-based), a measure which more accurately reflects the decision to procure REGO-backed renewable electricity where we can, shows a significant reduction in our emissions, a fall of 66.5% from 1,218 to 408 tCO_2e. A comparison with 2019 purchased electricity emissions of 1,669 tCO_2e gives a decrease of 75.6% over the period.

These actions, the change to 'Smart working' and the reduction in our overall office space, has resulted in a significant decrease in our emissions intensity ratio per full-time equivalent employee from 0.58 to 0.43.

We have used the main requirements of the Greenhouse Gas Protocol to calculate our emissions. We have reported on all the emission sources required under the regulations. These sources fall within the Group, with an operational control approach being followed when defining our organisational boundary. We do not have responsibility for any emission sources that are not included in our consolidated statement. Where necessary due to the unavailability of meter readings, any estimates included in our totals are derived from actual data in the same reporting period which have been extrapolated to cover any missing periods. Where actual data was not available, consumption is estimated based on our floor area and the Real Estate Environmental Benchmark from the Better Buildings Partnership. We have used the main requirements of the Greenhouse Gas Protocol Corporate Standard, along with the UK Government's GHG Conversion Factors for Company Reporting 2022 to calculate our emissions. The intensity ratio has been calculated based on the Scope 1 and 2 emissions compared to full-time equivalent heads. This is comparable to the measure used in prior years and is considered to be the most relevant for a people-based business such as ours.

Scope 1 emissions are direct emissions from gas used for heating in our offices. Scope 2 emissions are associated with our consumption of purchased electricity, heat, steam and cooling. The only Scope 3 emissions included above relate to the consumption of fuel used for company transport. Our total emissions, excluding financed emissions, are disclosed under heading Scope 1, Scope 2 and Scope 3 on page 5. The SECR emissions are including within those total emissions.

In addition to our partnership with our climate consultants, our Mechanical Electrical Plumbing (MEP) service partner for the Group provides an additional layer of energy use monitoring and reporting by providing the following:

- a year-by-year comparison of our monthly energy consumption and cost
- reporting on building operation approach, controls of central plant identifying notable variance from the commissioned performance of equipment or systems
- benchmarking of each office energy performance against CIBSE's TM46 published benchmarks
- identifying energy saving opportunities by each office location.

We are seeking to partner with a bureau service to work across our office portfolio to ensure we have transparency of all utilities consumed, both directly and indirectly.

Looking forward

To help further reduce our operational carbon footprint and add to our sustainable offices, we look forward to moving our Glasgow colleagues into their new Glasgow office in 2023.

Other activities planned for the coming years, are summarised below.

- We will be measuring and improving the emissions data of each office as we work towards defining a climate strategy
- We will continue to make environmental improvements in our existing offices by working with our landlords and are considering sustainability in our office selection as leases expire
- We will assess and report (internally) on a target number of supplier ESG ratings and follow up recommendations with those suppliers
- We will continue to develop our strategy to reduce emissions throughout the value chain
- Via our Environment Steering Committee and the Environment Forum, we aim to engage our colleagues, increase their knowledge and awareness of climate issues and their impact, and improve our environment approach
- As CDP supporters, we will be transparent in our climate actions and will complete a CDP questionnaire in 2023
- We will further develop our environment strategy, risk management and metrics as we further align with the TCFD
- We will continue to support training in ESG and sustainability and climate to expand our knowledge base
- We will continue to keep abreast of the many developments and guidance relating to Net Zero.

Responsible Investment

Responsible Investment is about incorporating consideration of ESG factors in the way we invest our clients' assets, alongside purely financial considerations, combined with the practice of active ownership, also known as stewardship.

As responsible investors, we are engaged in the stewardship of the businesses in which we invest on behalf of our clients. We use our influence as shareholders to improve investee companies' own ESG practices and performance. We do this by engaging (directly and collaboratively) with companies where we have material shareholdings and by voting at shareholder meetings. As good stewards of our clients' capital, we seek to encourage better business practices which will both enhance value and reduce potential risks as well as reduce the impact of holding those investments on the environment and wider society.

The Group exercises its fiduciary duties for all clients as a responsible investor. We do not seek to impose a target for ESG factors on our clients' portfolios, such as Net Zero greenhouse gas emissions, unless we are specifically instructed to do so by individual clients.

Why it is important

Responsible Investment is an important principle for the Group. ESG factors can have a significant impact on the long-term financial performance and risk profile of investments, both positively and negatively; therefore, we have integrated consideration of these factors as a core component of our investment approach. Our investment process has traditionally had a bias towards well-managed companies with sustainable business models.

We believe that companies with high standards of governance and corporate behaviours, sustainable business models, and which make a positive contribution to communities are less risky long-term investments.

Governance

Please refer to our responsible investment governance structure on page 21.

John Erskine, the Chief Investment Management Director, leads the Responsible Investment pillar, as a member of the Group Executive Committee (GEC), and in 2022 reported to the Board on progress against the Responsible Investment strategy on a quarterly basis. This will be reported to the new Board ESG Committee from March 2023 onwards on a quarterly basis. The Board has delegated authority, via other Committees, to the Investment Process Committee (IPC) to manage and develop the investment process, including investment risk. the IPC has appointed the Stewardship and Responsible Investment Group (SRIG) to oversee the Group's approach to responsible investment. Governance of the Group's investment process is shown in the responsible investment governance structure.

SRIG comprises a range of investment managers from across the business and includes representatives of the Stewardship and Responsible Investment team (SRI), Compliance, Investment Risk and Regulatory Developments.

SRIG's objectives include the integration of ESG and responsible investment into the investment process, overseeing voting and shareholder engagement, and ensuring that stewardship activities are communicated. To manage active stewardship, SRIG works closely with all parts of the investment process.

The SRI team provides operational support to SRIG. They are responsible for the day-to-day management of responsible investment and for maintenance of our internal responsible investment hub. They provide advice and assistance to investment managers as the first point of contact for responsible investment matters.

SRIG normally meets monthly and reports to the IPC. The IPC reports via other Committees to the GEC.

UN PRI & UK Stewardship code 2020 & Other memberships

UN PRI

Evelyn Partners, through its legacy businesses, is a signatory of the UN Principles for Responsible Investment. Originally, we became a signatory to the UN PRI in October 2018 as Smith & Williamson, and Tilney become a signatory in July 2020. We intend to submit an Evelyn Partners application to cover the merged business in 2023.

UK Stewardship Code 2020

Our subsidiary, Evelyn Partners Investment Management LLP (formerly 'Smith & Williamson Investment Management LLP'), is a signatory of the 2020 Stewardship Code. Following the rebrand to Evelyn Partners, an application for Evelyn Partners was submitted in October 2022; we were successful in that application and Evelyn Partners remains a signatory of the UK Stewardship Code.

The above obligations frame the Group's investment process, policies, and procedures to help manage conflicts of interest, pursue an active voting policy and monitor the companies in which we invest.

Other Industry Groups

The Group participates in industry working groups for stewardship initiatives and is a member of the following bodies:

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

CDP

During the year, we submitted our first climate questionnaire to CDP, formerly the Carbon Disclosure Project, and became a CDP supporter to track and benchmark our progress as we align with the TCFD and reduce our environmental footprint. Further information can be found on page 6.

Stewardship and engagement

The UK Stewardship Code defines stewardship as the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society. It is closely linked with the practice of engagement or active ownership.

We practice stewardship and active ownership through regular engagement with companies.

Sector specialists

Sector specialists, a cohort of approximately 120 in-house research analysts covering multiple sectors, conduct research into UK and overseas equities and collective funds. Sector specialists identify the most important ESG factors (typically the most significant 3 to 5) for the sector in which the company operates, and evaluate the short, medium, and long-term impact of ESG factors on performance. Sector specialists categorise collectives into three categories: Green Tick funds, Responsible/Sustainable funds, and all other funds.

Voting policy

Our approach to voting is based on the expertise and experience of sector specialists and investment managers, which allows more nuanced judgements than the rules-based approach provided by proxy voting advisers. We also use proxy voting advisers.

During the year, we voted at 787 meetings (2021: 845) and sent 149 engagement letters (2021: 163). Our voting activity is published on our website.

Collaborative engagement

The Group is a member of collaborative engagement platforms to amplify the impact it can make by working with other investors and industry peers to influence and address various ESG topics, and wider themes.

We are members of:

- *The Investor Forum*: a community interest company set up by institutional investors in UK equities. The forum helps investors to work collectively to escalate material issues with the Boards of UK-listed companies
- *Climate Action 100+*: an investor-led initiative to ensure the world's largest corporate greenhouse gas (GHG) emitters take necessary action on climate change. We are part of a working group engaging with one of the world's 100 largest GHG emitters
- *Find it, Fix it, Prevent it*: an investor-led, multi-stakeholder project designed to harness the power of the investment community to increase the effectiveness of corporate actions against modern slavery
- In 2022, we became a founding member of the CCLA Corporate Mental Health Benchmark, an investor-led, multi-stakeholder project, working towards protecting and promoting good workplace mental health.

Investment processes and active ownership

The Group considers that the growth of ESG investing is a strong long-term theme that will have capital allocation impacts across different sectors and industries. This affects the guidance provided to investment managers and the coverage lists of securities and funds.

We use third-party research tools and databases to provide our investment managers with core ESG data to assist in measuring ESG factors and sustainability risks. These tools allow investments to be mapped to the 17 Sustainable Development Goals (SDGs), the Principal Adverse Impacts (PAI) and for key indicators to be identified such as Scope 1, 2 and 3 emissions measured in line with the Greenhouse Gas protocol. They provide useful analysis regarding the rating for each element of the environmental, social or governance rating.

The Group is considering subscribing for additional ESG and climate-related products to allow us to improve our voting process in respect of ESG and climate-related issues.

Our sustainable investment products and services

Our discretionary portfolio service applies a responsible investment approach to all our client portfolios based on our standard investment strategy, which integrates ESG factors into our investment decisions and stewardship actions.

We also offer clients a bespoke ESG discretionary service. Portfolios are tailored according to individual client preferences, including screening ESG attributes, restrictions, best in class investments for securities and investments with sustainable themes. We are also able to provide clients with the carbon footprint of their portfolios, upon request.

Our Sustainable Managed Portfolio Service (SMPS) is a UK-based range of strategies, in place since September 2011. The SMPS range provides financial advisers with access to a suite of sustainable discretionary investment management strategies to cater for different client risk and return objectives.

The Evelyn Active Portfolios (EAP) range is a series of unitised fund-of-funds, which includes the Evelyn Sustainable Portfolios. The original Sustainable EAP fund is classified as an Article 8 product under the EU Securities Finance Disclosure Regulation (SFDR), as the fund "promotes environmental and social characteristics". The Evelyn Sustainable Cautious Portfolio (previously known as the Tilney Sustainable Portfolio) was crowned the Best ESG Investment Strategy in 2021 in the City of London Wealth Management Awards.

In December 2021, we launched the Evelyn Sustainable Adventurous Portfolio (previously known as the 'Tilney Sustainable Adventurous Portfolio), a further addition to the EAP range. This portfolio is managed on a similar basis to the Sustainable Cautious fund but is aimed at retail investors seeking a long-term growth focused portfolio of investments which demonstrate strong ESG and sustainability credentials, with a marginally higher risk profile than the Sustainable Cautious Portfolio.

The EAP Sustainable Portfolios and SMPS use both positive and negative screening, with ethical and sustainable objectives as part of their core investment thesis and fund selection criteria. Their investment approach focuses on funds with sustainability themes which actively engage and invest in companies that operate in those areas. These sustainable portfolios also aim to avoid investing in companies with products or services that have a negative environmental or social impact.

Evelyn Partners was awarded 'ESG Initiative of the Year' and 'International Discretionary Fund Manager of the Year' at the International Adviser Awards 2022.

Financed emissions

The Responsible Investment team supported by the digital technology services completed a project to measure a significant proportion of our 'financed emissions' using a third-party data vendor. The progress on measurement of financed emissions is explained in further detail on page 28.

Training and education

Ongoing training on stewardship and responsible investment is provided to Financial Services colleagues, senior executives and members of the Board.

Learning and development around ESG continues to be a key priority for the Group. We encourage our colleagues to take internal and external training related to sustainability and responsible investment, including the CFA's 'Certificate in ESG Investing' and the 'Certificate in Climate', endorsed by the UN PRI.

Client ESG knowledge sharing

We aim to improve the knowledge base of our clients, through the production and communication of responsible investing articles and thought leadership pieces, as well as regular conferences and webinars. Our responsible investment publications can be found on the external facing Stewardship and Responsible Investment section of our website and are regularly communicated to our clients.

Policies

We maintain a series of policies which support responsible investment and stewardship activities which are disclosed on the responsible investment section of our website. These include:

- Responsible Investment policy
- Voting policy
- SRD II engagement policy
- Conflicts of interest policy
- Sustainability disclosure policy.

Looking forward

In 2023, the Group will become subject to the FCA's implementation of the TCFD. These provisions require comprehensive disclosures of the impact of our clients' investment portfolios on the global climate and our assessment of climate risk on the value of those investments. Considerable work has been undertaken in 2022 on our data systems to provide the relevant metrics and those of the comparable EU regime which applies to our Irish subsidiary and the EAP pooled funds. Please see the TCFD section of this report for the metrics on our portfolios as of 31 December 2022.

We will continue to embed ESG into our processes, policies, strategy and decision-making. We continue to encourage our colleagues to take internal and external training related to sustainability as detailed above.

Transparency is of the utmost importance to us. We will remain transparent and share our progress with announcements and updates on our website.

People

Our people and our culture are central to our successful and unique client proposition. It is the quality of our people, their skills and expertise, and the trusted long-term relationships they establish with their clients, which underpins and sustains our success.

Our ability to attract, develop and retain a diverse pool of talent is a central strategy. An emphasis on providing development opportunities and structured career paths, alongside a competitive reward model, were the key focuses in the year.

Maintaining the appropriate knowledge and expertise supports excellent client engagement and is of paramount importance to Evelyn Partners.

Governance

The People pillar is headed by Benne Peto, our Group Chief People Officer (CPO) and member of the GEC. In 2022, Benne reported to the Board on progress against the People strategy on a quarterly basis. This will be reported to the new Board ESG Committee from March 2023 onwards. She is responsible for implementing the People strategy which includes culture, smart working and communication, inclusion and diversity, wellbeing, talent management, people development and remuneration.

The People strategy continues to focus on three broad themes:

- Culture – to embed the culture and values which support our brand and the achievement of our organisational goals
- Inclusivity & Diversity (I&D) — to support our I&D strategy as detailed below
- Wellbeing — to improve colleagues' wellbeing, including physical, emotional, financial and social wellbeing.

Activities during the year

Culture

In 2021, we launched our new purpose and values as:

Our purpose is *'to place the power of good advice into more hands',* reflecting our commitment to our clients, the quality of our colleagues and our proposition, and the ambitions of the business.

Our values reflect what is unique about our culture and our shared ways of working. They are:

- Personal – we treat you as an individual
- Partnership – we go further together
- Performance – we strive for more.

We continue to measure performance against our values and undertook two employee Pulse surveys in the year, covering colleague engagement, client focus, communication, leadership, management, enablement, career development, purpose and value. We added further sections relating to wellbeing and corporate responsibility. Following the launch of our new brand, we added a section regarding the brand. The later survey was completed by 82% of our colleagues and almost all scores had improved compared to the first survey of 2022; we are delighted with the progress being made. We were particularly pleased to see high scores achieved for purpose and values, confidence in management, communications and wellbeing.

The insight provided continues to directly inform the People strategy.

Smart working and communication

The Smart Working framework provides clear guidance to colleagues and management and has enabled better facilities planning. and usage thereby reducing office space requirements. Further details can be found in 'sustainable buildings' pages 4 to 5.

Communication, digital technology, well-defined culture and values and good leadership are essential to the Smart Working framework. We continue to invest in digital technology to enable our colleagues to communicate and work together effectively from multiple locations. This year, our former legacy intranets were combined following the re-brand to Evelyn Partners, facilitating easier access for all colleagues and providing a single, unified site and a consistent colleague experience for all.

There is frequent communication from the leadership team, supported by several executive management committees and the Board. Quarterly all colleague updates and regular team meetings ensure that colleagues understand our shared organisational goals and the progress being made towards achieving them. This year, we added ESG to the quarterly updates.

Inclusion and diversity (I&D)

We recognise our responsibility to be an inclusive employer as well as the value that diversity brings in strengthening our ability to achieve our goals.

In 2022, we reviewed our inclusion and diversity strategy, appraised the latest research, and considered the challenges we face and our progress. As a result, the Diversity & Inclusion Committee (DIC), established in 2021, was relaunched as the Inclusion & Diversity Committee (IDC) in early September 2022 reflecting that diversity is a product of an inclusive environment. IDC membership was selected to reflect its diversity aims as indicated below.

Our inclusive culture aims to ensure that colleagues of all backgrounds, life experiences, preferences and beliefs are respected and valued as individuals, are treated equitably and respectfully and that colleagues have a sense of belonging and security and are free to speak up. We want colleagues to feel empowered, to have an equal opportunity to contribute to business success and to be their authentic selves.

Our diversity should reflect, but is not limited to diversity of:

- thoughts and opinions
- age
- gender and gender identity
- sexual orientation
- race and ethnicity
- religion or belief
- physical and cognitive ability; and
- social background.

Central to our I&D objectives, we are committed to the education, recruitment and retention of a diverse workforce that reflects wider society and our client base. We use an outsourced recruitment provider to remove unconscious bias, thereby allowing us to apply consistent criteria to a diverse candidate pool. We provide training to our hiring managers on business wide sub-conscious bias.

Highlighting the importance of I&D, in 2022 the Board approved policies on Board Diversity and Board Director Suitability, Induction & Training.

Appointment of a dedicated Inclusion and Diversity Director

In 2022, we appointed a dedicated Inclusion and Diversity Director to drive forward the Group I&D Strategy. She is supported by the IDC and the Inclusivity & Diversity (I&D) networks within the business.

As a flavour of some of our initiatives, promoted by the I&D networks during the year, the Committee:

- supported by the Race, Religion and Ethnicity (RaRE) network engaged in religious and cultural celebrations
- via the Gender Equality network (previously the Women's network), supported participation in national recognition days such as International Women's and International Men's days
- following the lifting of COVID-19 restrictions, hosted an inaugural in-person meeting of the firm's Proud Network which celebrates members of the LGBTQ+ community.

Inclusive Employer's Standard (IES)

The Inclusive Employer's Standard (IES) is an evidence-based workplace accreditation tool for inclusion and diversity. Participants answer 35 questions that cover all the protected characteristics and wider I&D themes. We completed our first assessment during the year and are pleased to announce that Evelyn Partners was awarded a BRONZE status under the IES.

Business Disability Forum

We became members of the Business Disability Forum, a leading business membership organisation in disability inclusion. It works in partnership with business, government, and disabled people to remove barriers to inclusion. We are working towards becoming a Disability Smart Employer.

Women in Finance Charter

As supporters of the Women in Finance Charter pledge for gender balance in financial services, we seek to improve gender diversity in both Financial Services and Professional Services.

This year, we signed the Women in Finance Charter outlining our commitment to working towards greater female representation (particularly at a senior level) within our industry. Our statement can be found on our website at evelyn.com within in the People section.

Gender Diversity

We are making progress on improving gender diversity of the Board and senior management team and are committed to improving this within all levels of the organisation. The following table shows the gender mix of the Group:

Organisation level	Female		Male		Total
31 December 2022	Number	%	Number	%	Number
Board of Directors	3	27%	8	73%	11
Group Executive Committee	3	27%	8	73%	11
Senior management	33	24%	107	76%	140
All colleagues	1,620	45%	1,980	55%	3,600

Organisation level	Female		Male		Total
31 December 2021	Number	%	Number	%	Number
Board of Directors	2	18%	9	82%	11
Group Executive Committee	4	36%	7	64%	11
Senior management	33	24%	105	76%	138
All colleagues	1,520	46%	1,766	54%	3,286

The all colleagues number in the table above includes the Group Executive Committee and the senior management.

Our Gender Pay Gap Report 2022, which is expected to be issued in March 2023, will be available on our website at evelyn.com within the Corporate Responsibility section. We have highly talented women in leadership positions and are encouraged to see our mean and median pay and bonus gaps reducing and more women in the upper pay quartile. As an employer, we are committed to reducing our gender pay gap and continue to focus on ways to encourage and support the progression of women into senior roles through recruitment, promotions and mentoring.

In October 2022, we launched our first 'Women in Leadership Series', aimed at bringing together our senior female leaders from across the business and to ensure that our talent development programmes have strong female representation. For further details, see 'Talent Management and people development'.

Wellbeing

Our employees are our most valuable resource, and we wish to support and improve their wellbeing and organisational resilience.

In 2021, we launched our colleague wellbeing strategy to improve colleague wellbeing across several areas including emotional, physical and financial wellbeing. This has had a positive impact on our colleague's engagement.

We made available resources and information to support colleagues, such as online wellbeing guides. We have an employee assistance programme and family friendly policies. We offer enhanced benefits such as additional holidays and private medical cover.

During the year, we have had an active programme of wellbeing events and colleague engagement in support of 'Wellness' with initiatives such as 'Time to Talk', 'Financial wellbeing webinars', webinar on the benefits of sleep on 'World Sleep Day', 'Mental Health Awareness week', a focus on 'Menopause' and 'British Heart Foundation' fitness checks.

Our people have access to Peptalk: a regular programme of talks relating to physical and mental wellbeing hosted by experts in each field. Recent topics have included 'Whole body mental health', 'Money Clinic', 'Nutritional Clinic', 'Raising emotionally healthy children' and 'Unlocking the kindness code'. We have encouraged conversations around wellbeing including mental health and we have shared experiences.

We have been developing the leadership skills which support organisational resilience and wellbeing.

Bi-annual colleague Pulse surveys provided valuable insights including ratings on how well colleagues feel supported, on emotional, physical and mental resilience and work life balance.

Talent management and people development

Our clients rely on the expertise and judgement of our people. As such, the maintenance and development of the expert level of skills required is an important aspect of our business.

We invest in our people and value professional skills and achievement of qualifications. We participate in apprentice schemes and professional training schemes and provide employee incentives, such as study leave and financial support for the achievement of technical examinations and professional body membership. We offer professional training in a number of disciplines including accountancy, taxation, investment management and financial planning. Once qualified, our colleagues have access to regular external and internal professional development courses and relevant technical updates for their areas of specialism, to ensure that their knowledge is kept fresh.

Recruiting the best talent continues to be a key area of focus for the business. We made a number of key hires during the year.

In 2022, we also introduced a new induction programme. All new colleagues across the business experience a consistent core induction. This induction plays an important part in welcoming new joiners, whilst communicating our purpose and values.

We are committed to offering all colleagues career and personal development opportunities and launched several development and leadership programmes during the year.

'Develop' launched in April 2022, offering all colleagues access to over 5,000 pieces of online learning linked to personal and professional topics including career development, management, leadership, wellbeing, inclusion and diversity.

In May 2022, our first of two 'Life Leader Programmes' launched, for those at early-career stage. A pre-launch with the CEO, Executive and Senior Leaders was well received by participants and reinforces our commitment to 'lead by example'.

Next to launch was 'Inspire', our new online leadership development pathway with The Institute of Leadership & Management (ILM), This saw 200 managers invited to participate and work towards gaining accreditation as a professional member of ILM.

In October 2022, our first 'Women in Leadership Series' started, aimed at bringing together our senior female leaders from across the business, through regular quarterly roundtables with members of the GEC. This supports our strategy to support and develop female leaders to close the gender gap.

Our final launch in 2022 was the 'Executive Leadership Series', a professional leadership programme.

We have created an online community to engage and continue the 'leadership conversation' and to learn from each other via our new 'Let's Talk Leadership' Yammer page on our intranet.

We truly value development of all colleagues and we will continue to build on this in 2023.

Remuneration

Our remuneration strategy aims to reward outstanding client outcomes and experiences, aid high performing colleague attraction and retention, and support the wider business objectives, within a robust risk, compliance and regulatory framework. The principles which underpin our remuneration strategy and support the achievement of our aims are to:

- enable colleagues to benefit from a competitive base salary, pensions and benefits package, and participate in a bonus plan
- consider total compensation against competitor and market benchmarks
- ensure that we recruit and retain key talents
- ensure that our approach is compliant with regulations and aligned with sound risk management, and in accordance with applicable requirements including the management of sustainability risk
- enable key senior colleagues to participate in the equity value created.

Policies

We maintain a series of people policies including those which specifically support our Corporate Responsibility strategy as listed below:

- Equality, Diversity and Inclusion policy
- Board diversity policy
- Health and wellbeing policy
- Dignity at work policy
- Living wage policy
- Flexible working policy
- Recruitment policy
- Family leave policy.

We review our policies annually to ensure they remain relevant to our people agenda.

In 2022, we introduced the living wage policy and updated the health and wellbeing policy to give new guidance relating to menopause.

Looking forward

We have made significant progress in year. In the coming year:

- We are committed to improving diversity within our organisation and industry and continuing to develop our inclusion and diversity strategy
- We are committed to reducing our Gender Pay Gap and supporting the progression of women into senior roles through recruitment, promotions and mentoring and leadership development
- We will continue to monitor and develop our remuneration strategy and will link an element of ESG related objectives to bonuses
- We will continue to monitor colleague engagement and wellbeing, development and satisfaction by undertaking colleague Pulse surveys twice a year and adapting our strategy accordingly
- We will develop our metrics and targets related to inclusion, diversity, wellness and equality.

Charities and Communities

As a Group, we wish to support our local communities. We have a wealth of talent and experience within our business and are keen to share this and encourage our colleagues to get involved in community projects and activities.

Governance

The Group's Charities and Community pillar is one of the four pillars of our ESG corporate strategy.

During the year, the Charities and Community pillar was led by our then Group General Counsel Nicola Mitford-Slade. Following her retirement at the end of December 2022, Charley Davies, Group General Counsel, now leads the pillar. The strategy established under Nicola's tenure, including our partnership with Impetus, will be built on and developed by Charley who succeeded Nicola as General Counsel. We thank Nicola for her valuable contribution as pillar lead.

As Chair of the Charities and Community Committee (CCC), Charley's role is to ensure that both the corporate and colleague charitable objectives are met in line with the Group Corporate strategy, whilst ensuring that the Group's charitable policies are adhered to.

Our strategy for Charities and Communities focuses on four strands:

- Corporate charitable giving
- Colleague charitable giving
- Volunteering with our corporate partner, Impetus
- Volunteering with community charities.

The Group's corporate charitable objective is to improve diversity in financial and professional services. This aligns with the Group's inclusion and diversity strategy.

In line with our statement of purpose *'to place the power of good advice into more hands'* our charity aims are to:

- replicate values of personal, partnership and performance
- partner with charities which have a similar geographical footprint (with UK reach)
- be sustainable.

Activities during the year

Our corporate partner – Impetus

In 2021, we committed to a three-year partnership with Impetus, an organisation transforming the lives of young people from disadvantaged backgrounds by ensuring that they get support to succeed in school, in work and in life.

Impetus fund and support a portfolio of charities working hard to narrow the gaps in education or employment for young people from disadvantaged backgrounds. Like Evelyn Partners, Impetus's charities are spread across the UK and our colleagues have the opportunity to get involved and make a difference to a local charity within Impetus's portfolio.

During the year Evelyn Partner colleagues had the opportunity to work with Impetus charities through provision of pro-bono and volunteering work, particularly in mentoring to support and encourage disadvantaged young people to consider roles in both the financial services and the professional services sector.

The CCC also drove and coordinated volunteering activities with offices across the UK and Ireland supporting local community needs during the year.

To give a flavour of the charities supported and activities in which our colleagues engaged, some examples are given below:

- Into University – Helps disadvantaged young people gain a place within a higher education establishment. Into University prepares events for secondary school students to attend employability-focused business simulation events. We hosted events in London, Southampton and Glasgow and supported the events with Evelyn Partners volunteers acting either as mentors, advisers or judges for the events. The events were well attended and enabled attendees to explore opportunities in financial services and professional services as potential future careers
- MCR Pathways – A Scottish-based charity which works with care-experienced and other disadvantaged children on future opportunities. Events were held in support of MCR Pathways at our Glasgow office. where colleagues mentored children to help them with their education and future
- Resurgo – A charity that believes that everyone has a part to play in the transformation of society and use their expertise in coaching and impact management to equip and empower businesses, charities, churches and individuals to transform society. Events were held in support of Resurgo at our Bristol office
- Our professional services sector provided pro bono support to two Impetus Charities: Venture Trust and Action Tutoring. We helped both charities develop their strategy and growth plans for the next 3-5 years. We also helped them develop processes to execute their strategy effectively. Over 300 hours pro bono support was provided
- We donated the annual contribution of £100,000 to Impetus as pledged
- Our volunteers participated at the annual triathlon at Dorney Lake, Berkshire and raised £4,780 for Impetus charities, including matched contribution of £2,390.

Colleague charitable giving

Our colleague charitable giving objective is to support our colleagues' charitable endeavours by offering generous donation matching and employee volunteering opportunities.

Colleague matched fundraising is funded by the Evelyn Partners Charitable Trust (EPCT), formerly the Tilney Charitable Trust. The Trust was established in 1979 and has a strong heritage of providing funding to charitable causes supported by our colleagues.

The Group donates £50,000 a year to the EPCT to supplement the annual spend of the Trust to support colleague charitable giving.

Colleague charitable support focuses on three key areas:

- Employee volunteering – We work with a provider called Employee Volunteering (EV) to help organise team volunteering days supporting our wider ESG plans. This could range from a day supporting a local environmental project to a day volunteering at a local community school. Local office charity coordinators within Evelyn Partners help deliver team volunteering events and ensure that the nature of the activities align with our Corporate Responsibility ambitions
- Give-As-You-Earn (GAYE) – during the year, we reminded colleagues that they could opt to donate to charities through the GAYE payroll giving scheme. Regular donations in this way gives charities a reliable income stream. We continue to match every employee donation with up to £20 per colleague, per month
- Matched fundraising – we continue to match our employees' fundraising efforts. This year our employer matched fundraising contribution was increased from £250 to £500 for an individual and from £1,000 to £2,500 for each team fundraising event. Additional matched funds are available for local office and national Evelyn Partners events through a donation from the EPCT.

In the run up to Christmas, we supported Family Action's annual Christmas Toy Appeal, which provides disadvantaged children with a Christmas gift. A number of our UK offices participated and donated wrapped presents from a wish list.

Through our colleague charitable giving donations, Evelyn Partners contributed £52,800 of payroll giving, with £26,695 of matched funding and £160,000 of fundraising efforts with £64,000 of matched funding to charities during the year.

Volunteering communication

We introduced a dedicated Charity and Community intranet page to share information about volunteering opportunities, from both Impetus and EV, and made available policies, guidelines and application forms, to simplify both volunteering and charitable giving.

We also introduced quarterly newsletters to communicate opportunities, both with Impetus and with EV and with other programmes we support as detailed below, and to highlight team and individual volunteering actions.

There is regular internal communication highlighting conversations and events throughout the year.

Volunteering activities

During the year, volunteer representatives from across our offices supported Evelyn Partners volunteering activities. Volunteer representatives served to identify local charitable opportunities, coordinated team volunteering events and encouraged involvement of colleagues throughout the organisation.

In 2022 the Group introduced a new volunteering policy to allow all colleagues to take two paid volunteering days per annum.

Some of the local office events organised for 2022 included:

- The Bracknell office team worked with Employee Volunteering to visit Dimensions Woodmere, a local residential community care residence, where colleagues spent the day transforming the outside space, making it a welcoming for residents and visitors alike
- Colleagues from Belfast spent a day with Waterways, a charitable social enterprise just outside Belfast, developing waterways as catalysts for social and economic regeneration. Tasks included general landscaping and maintenance duties
- Colleagues in London spent the day clearing and renovating Three Corners Adventure Play, a playground installed to encourage children from disadvantaged backgrounds to play outside
- Colleagues at the Chelmsford office spent the day at Farleigh Hospice, a charity providing hospice care to people affected by life limiting illnesses across mid Essex. The team were tasked with tidying up a large car park in preparation for an upcoming fundraising cycle event
- Colleagues in London spent the day at Edward Alsop House, cooking a festive dinner for homeless people and decorating for Christmas
- Colleagues in Liverpool spent the day at Barnstondale, an inclusive outdoor education and activity centre, planting trees to support conservation efforts.

Participation in other support programmes

As part of our inclusion and diversity strategy, our Financial Services and Professional Services teams also participate in several programmes which support the under-represented and under-privileged groups in society. These include:

- the 'Girls Network', where some of our colleagues dedicate their time to mentoring young women
- 'She Can Be' by hosting workshops and events to help young women see the city as a viable career option
- we became sponsors of GAIN (Girls Are Investors), a programme which helps young women get into the investment management industry through education and internships.

Anti-bribery policy

Evelyn Partners values its reputation and is committed to maintaining the highest level of ethical standards in the conduct of its business affairs. The actions and conduct of the Group's people as well as others acting on the firm's behalf are key to maintaining these standards. The Group does not tolerate bribery or corruption in any form.

The firm prohibits the offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form:

- to or from any person or company wherever located, whether a public official or public body, or a private person or company
- by any individual employee, director, agent, consultant, contractor or other person or body acting on the firm's behalf
- to gain any commercial, contractual, or regulatory advantage for the firm in any way which is unethical or to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected to the individual.

Our policies cover reporting requirements, restrictions on gifts and hospitality and facilitation payments, our approach to politically exposed persons, information security, our procurement approach and charitable gifts and donations.

The Group investigates thoroughly any actual or suspected breach of our anti-bribery policies.

Modern slavery and human trafficking

We are committed to ensuring our business and supply chain are free from any slavery or human trafficking. Due to the nature of our operations, the group is at low risk of exposure to these issues and our supply chain is predominately comprised of UK based entities and/or providers who may also be regulated.

Our procurement policy has modern slavery assessments integrated into our procedures. In our tender process, we require confirmation from potential suppliers that they have complied with the Act and evidential proof of their policy or statement. Our ESG questionnaire requires suppliers to confirm they have a modern slavery policy and additionally to provide evidence of their policies for including ESG considerations for procurement and supply chains. Our due diligence process requires verification that suppliers have policies in place regarding the fair treatment and pay, adequate whistleblowing procedures and that those employed in the provision of services have the necessary documentation to legally work in the UK.

Annual due diligence takes place for our material outsourcing arrangements and this requires confirmations that suppliers have taken steps to ensure that their supply chain is free from any modern slavery.

As regards Responsible Investments, modern slavery and human trafficking, the Group provide investment services across the whole spectrum of clients. All monitored stocks and third-party funds are assessed by their respective analysts to identify the material ESG impacts across industry sectors (positive and negative), including modern slavery risks. We are also a member of the collaborative engagement group *Find It, Fix It, Prevent It*, an investor-led project to increase the effectiveness of corporate efforts against modern slavery in UK companies and their supply chains. Originally set to focus on the hospitality industry, this is currently being extended to the construction industry. These two sectors are the most vulnerable to modern slavery.

Whistleblowing policy

The whistleblowing policy sets out how colleagues may report any wrongdoings, malpractice, inappropriate behaviour or any concerns or situations they experience, about which they feel uncomfortable.

The policy provides that colleagues who act in good faith have a right not to be victimised, subjected to detriment or dismissed for raising concerns. Concerns can be reported to line managers, or to the compliance team and may be raised verbally or in writing and anonymously. In exceptional circumstances, the incident may be raised with the Group's Whistleblowing Champion, Carla Stent, or with the Regulators directly. All concerns raised are fully investigated in line with the internal Whistleblowing Investigation Procedure.

The Group provides access to an independent Whistleblowing Advice Line available to any colleague seeking independent and confidential advice at any stage of the process.

Procurement policy and supplier code of conduct

The Group's procurement policy contains the Supplier Code of Conduct. It is our aim that our suppliers incorporate ESG within their processes and policies, but we recognise that organisations, depending on their corporate structure, size, location and industry sector, will be at various stages of transitioning ESG within their businesses. The Supplier Code of Conduct sets out our expectations for development of their ESG Strategy, the requirement for compliance with the Modern Slavery Act (2015) and awareness of human rights issues, compliance with the Equality Act (2010), elimination of all forms of discrimination, controls to protect against fraud and corruption and a requirement to have a whistleblowing policy in place with a clear escalation process. There is also a requirement for safeguards and security of systems and data protection.

Compliance with our ESG requirements form part of our Standard Terms and Conditions and ESG is now being reviewed as part of the on-boarding process and periodically thereafter.

Tax strategy

The Group's Tax strategy has been made publicly available on our website at evelyn.com, in accordance with the Finance Act 2016. Both the Risk and Audit Committee and the Board have reviewed and approved the strategy. The strategy sets out the Group's governance in relation to tax compliance, tax risk management, approach to arranging our tax affairs, and our relationship with the tax authorities. The Group's tax risk appetite is low.

Looking forward

We look forward to working with and supporting Impetus in the years ahead. We will encourage our colleagues and stakeholders to take up opportunities to volunteer by undertaking pro bono work and attending or running knowledge sharing events and will encourage take-up of the two volunteering days per annum available to all colleagues.

Activities planned for the coming year are as follows:

- We will donate £100,000 as pledged to Impetus in 2023 and continue to support the charity
- We will also continue to support local and national charities both financially and by participating in 'Employee Volunteering' events. To encourage engagement, we will make a £50 contribution per employee per day
- We will match donations to local charities up to £500 per individual and up to £2,500 per team event
- We will continue to match donations through the payroll GAYE scheme up to £20 per employee per month
- We will continue to support EPCT with an annual donation of £50,000.

Climate-Related Financial Disclosures

Our purpose is *'to place the power of good advice into more hands'*. It is at the heart of everything we do.

The long-term threat of climate change is continuing to accelerate the importance of our corporate responsibility on climate. We recognise that what we do matters and impacts our stakeholders, our communities, and our world. We seek to reduce the environmental footprint of our operational business as part of our wider corporate responsibility agenda and have set ourselves a target to achieve Net Zero on our corporate operational footprint, as soon as possible.

As wealth managers, investment managers and professional service providers, we are responsible both for the stewardship of our clients' capital and for ensuring that our financial advisory services are of the highest standard and enable our clients to build sustainable values and futures.

As responsible investors, we are embedding ESG in our investment processes. As business advisors, we seek to lead and advise our clients on their journeys to enhancing their sustainability and developing their ESG agenda.

We are supporters of the TCFD reporting framework and its recommendations. We embrace transparent reporting so that our stakeholders can measure our progress on reducing our environmental impact and have made available our Climate-Related Financial Disclosures and completed the CDP climate questionnaire.

Governance

The Board recognises the importance of good corporate governance and works to ensure that the Group's governance arrangements are robust, adaptable and able to deliver a well-run business which has its clients at its heart. The Group recognises its responsibilities towards shareholders, other business stakeholders and the wider markets and the society in which it operates.

The Board has a commitment to develop and promote the purpose of the Group and ensure that its values, strategy and culture align with that purpose. It has developed a strategy and business model to generate long-term sustainable value for its shareholders and other stakeholders.

At Evelyn Partners, risk management arrangements form part of a strong governance culture. This culture is built upon the Three Lines of Defence governance model under which primary responsibility for identifying and controlling risks rests with the Group's businesses (the first line of defence). Ultimate responsibility for ensuring the adequacy and effectiveness of risk management rests with the Board, with oversight provided by the Board's Risk and Audit Committee, as detailed in risk management processes in our Annual Report

Key personnel and committees

The Board has overall responsibility for the business strategy, which includes establishing and achieving the Corporate Responsibility strategy and objectives.

Chris Grigg, as Chair of the Board ESG Committee, has responsibility for Board oversight of corporate social responsibility and Chris Woodhouse, Group Chief Executive Officer, is the Executive with ultimate responsibility for corporate social responsibility. Further details regarding governance can be found on page 2.

An ESG meeting is held by the GEC each month where the progress made is discussed and activities are reviewed, including environmental and climate-related activities.

The ESG activities are divided into four pillars: Environment, Responsible Investment, People and Charities and Communities. Each pillar is headed by a GEC member. The GEC Chair and the four pillars report to the Board on a quarterly basis to present progress against objectives and to consider its recommendations. For further details please see page 2.

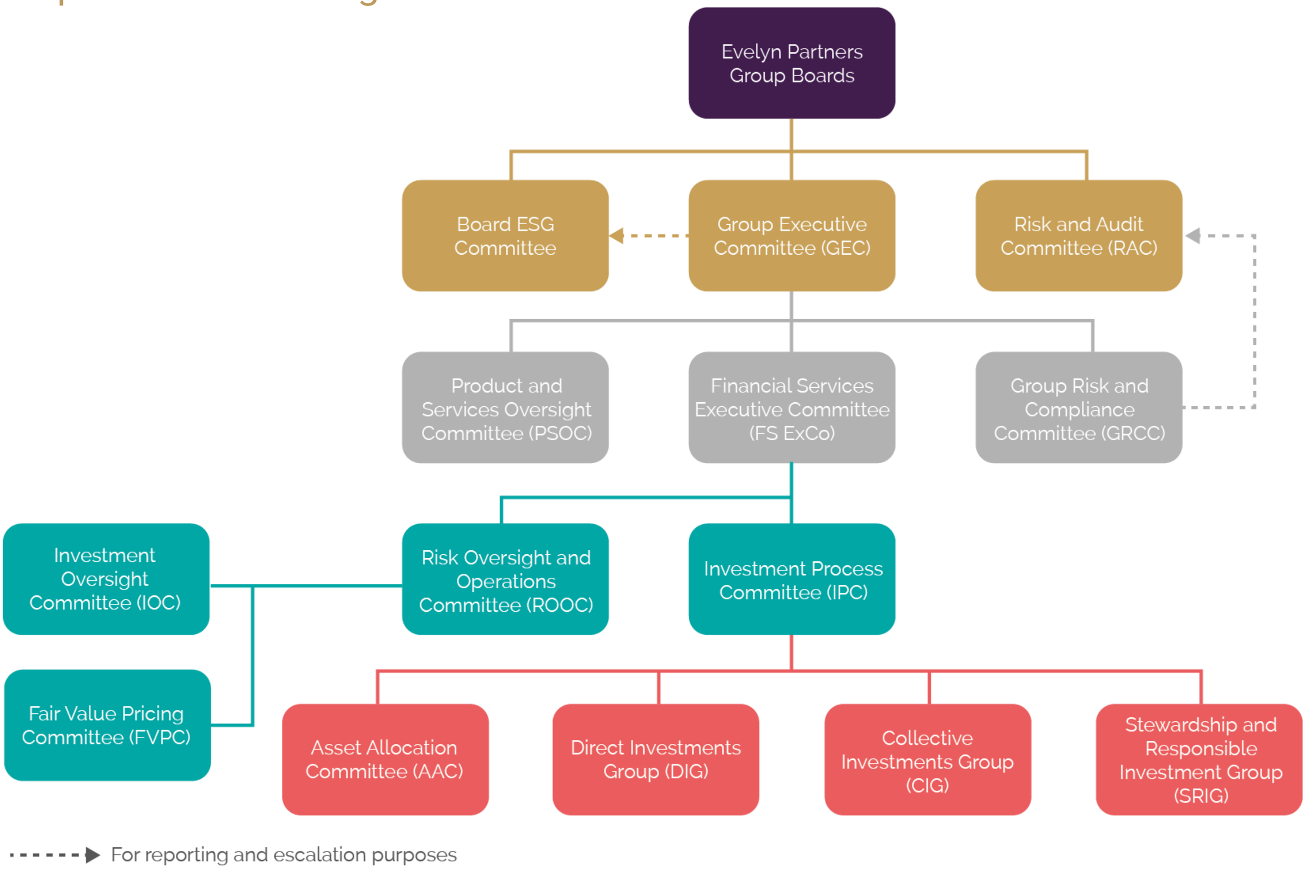
The Environment pillar is led by Andrew Baddeley, Group Chief Financial Officer (CFO) and a Board member.

Responsible investment structure

John Erskine, the Chief Investment Management Director, leads the Responsible Investment pillar, and reports to the Board on progress against the Responsible Investment strategy on a quarterly basis. The Board has delegated authority, via other Committees, to the Investment Process Committee (IPC) to manage and develop the investment process, including investment risk. The IPC has appointed the Stewardship and Responsible Investment Group (SRIG) to oversee the Group's approach to responsible investment. This includes the data, research and tools required to integrate climate change into our investment decisions.

SRIG reports to the IPC monthly on the activities being undertaken, and the IPC reports on these monthly to the Financial Services Executive Committee (FS ExCo). John Erskine provides updates to the GEC on a monthly basis regarding responsible investment activities and progress.

Responsible investment governance structure



This is an extract of the Group Boards and Committees structure to show Responsible Investment Governance

Risk management

The Board Risk and Audit Committee (RAC) has delegated oversight of Risk and Compliance and is supported by the Group Risk and Compliance Committee (GRCC), chaired by Andrew Baddeley, the Group CFO. Group Internal Audit have responsibility for reporting, internal assurance and controls.

The RAC monitors the risk management framework to ensure that adequate systems and controls are in place and that the businesses operate in accordance with all relevant legal and regulatory requirements. It also ensures the management of key risks against appetite group-wide and reports on deviations and material issues across the Group.

The GRCC plays an important role in supporting the Group Executive Committee (GEC), in identifying and understanding ESG and climate risks and opportunities, and in formulating management actions to monitor and mitigate any identified risks. The GRCC is informed of the activities of the GEC as several of its members sit on both Committees, including the GRCC Chair and the Group Chief Risk Officer (CRO). As a key risk, ESG risk including climate risk, is discussed at each GRCC meeting.

We recognise how important sustainability and the need to work towards Net Zero on our corporate emissions is for our business, our colleagues and clients, our communities and other stakeholders. It is on the radar for the Board, the GEC, RAC and supporting Committees throughout the organisation,

Our strategy

We are deeply committed to managing our business in a sustainable way to minimise our impact on the environment. Our environmental considerations include waste (paper, recycling, plastics), food, water, biodiversity and deforestation, energy efficiency and carbon emissions.

We are working towards reducing our corporate organisational carbon footprint to meet the group strategy of achieving operational Net Zero, as soon as possible. To track and communicate our progress, we completed our first CDP Climate questionnaire this year.

The main risks identified and related to climate change are:

Risk type	Climate-related risk	Potential financial impact
Physical risk	Acute Increased severity of extreme weather events such as extreme storms and flooding. National infrastructure (electricity, internet) may affect the ability of the Group to run the business.	• Increased capital costs to our buildings (e.g., damage to facilities), potentially leading to a change in location strategy • Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations) • Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations • Reduced revenue and higher costs because of negative impacts on workforce (e.g., health, safety, absenteeism) • Increased risks to our digital products and services and additional cost of investment in digital channels, platforms and storage • Extreme weather, rising temperatures and sea levels may affect our colleagues, and our third-party suppliers and may lead to disruption of supplies at additional costs and loss of business. It may also affect our location strategy and ability to provide services • Increased costs of fuel and water • Potential for conflict which impacts geographical security affecting global markets • Potential for chronic weather impacting our customers and their service requirements • Climate-related issues may impact investment values and investment outcomes.
	Chronic Extreme variability of weather patterns and reduced predictability of weather leading to unplanned short-term outages and disruption. Rising mean temperatures and rising sea levels. Energy and water security.	
Transitional risk	Policy and legal Enhanced emissions reporting obligations. Failure to keep up to date with changing requirements from multiple and overlapping regulators both in the investment and wealth management arena and in the business advisory services sector.	• Increased operating costs due to higher cost of compliance including costs of dedicated specialist ESG colleagues and dedicated Responsible Investment colleagues to ensure we stay ahead of changing regulatory and best-practice requirements from multiple and overlapping regulators and consultancy costs • Non-compliance with regulatory requirements may lead to regulatory censure, financial and reputational impact leading to loss of clients and revenues • Potential costs of fines and penalties.
	Technology Costs of investing or adapting digital technology, particularly investment in the custody and investment systems to provide the building blocks for Responsible Investment to be embedded within our investment processes and policies. Increased requirement to recycle outdated technology. Risk of underestimating the costs and resources of the technology and its implementation.	• Additional costs of technology, both capital and operational costs, including new technologies • There may be a requirement to recycle equipment or even repair rather than dispose of assets and this may increase technology costs • Under (or over) estimation of costs that may therefore not be adequately captured in financial planning.

Risk type	Climate-related risk	Potential financial impact
	Market Changing client awareness and behaviours. Information overload of clients with the number of variables they are required to specify, particularly for Financial Services clients.	• Failure to capture clients' expectations and choices leading to loss in revenues • Failure to adapt the investment process to adequately reflect client ESG and climate requirements may lead to poorer client outcomes • Loss of market share if do not adapt to change quickly enough and meet market expectations.
	Reputation Changes in consumer preferences. Increased stakeholder concern or negative stakeholder feedback.	• Potential loss of new and existing clients if our ESG credentials impact the reputation of the Group, particularly risk the loss of the younger demographic • Loss of revenues from Financial Services and Professional Services business or loss of margins • Negative impacts on workforce management and planning (e.g. employee attraction and retention).

The main opportunities identified and related to climate change are:

Opportunity type	Climate-related opportunity	Potential financial impact
Resource efficiency	Reduced water usage and consumption. Relocation to more efficient buildings. Reduced paper and storage requirements.	• Reduced operating costs (e.g. through efficiency gains) • Benefits to workforce of working in more efficient building • Better workforce planning leading to greater employee satisfaction.
Energy source	Use of lower emission sources of energy. Use of newer digital technologies. Use of more energy efficient offices.	• Reduced exposure to future increase in costs of fossil-fuelled energy • Reduced exposure to GHG emissions and therefore less sensitivity to potential carbon taxes • Reputational benefits of being more environmentally friendly • Opportunity to gain competitive advantage as invest in newer technologies • Greater availability of capital from investors for companies working to reduce climate impact and who recognise their corporate responsibility.
Products and services	Expansion of sustainable investment services and products. Potential to attract new clients with the introduction of new products and services. Opportunity to offer new Professional Services to support clients through their journeys to Net Zero climate emissions.	• Increase in revenue through expansion of product and services • Potential to increase market share and offer a niche product or service • Availability of training and development opportunities for colleagues and creation of new roles. This may increase engagement and retention of workforce.
Markets	More frequent engagements with our investment and financial planning clients as we assess their ESG preferences. This may further strengthen our client relationships. The availability of further sustainable products and services in Financial Services, Professional Services and Fund Solutions. Opportunity to raise profile of our brand.	• Increased communication may lead to greater awareness of our diverse range of products in the wealth management and in financial planning sector • Increased diversification of financial assets thereby reducing the long-term risk.
Resilience	Adoption of energy efficient measures. Resource substitutes/diversification.	• Increased market valuation through resilience planning (e.g., technology, land, buildings) • Increased reliability of supply chain and ability to operate under various conditions • Increased revenue through new products and services related to ensuring resiliency • The availability sustainable products and services should positively influence the attraction and retention of colleagues • Increased availability of capital resources to the business.

Physical risk

In selecting new offices, environmentally sustainable features are important considerations. Our new premises in London, Birmingham, Belfast and Glasgow are each BREEAM-rated "Excellent". See 'sustainable building' pages 4 to 5.

The geographical spread of our offices, colleagues and customer base limits the physical risk.

We have invested heavily in our digital channels and integrated platforms and have created an integrated financial services platform. This provides us with a front-to-back solution including reporting, execution, settlement and in-house custody and will enable development of ESG solutions for the assets under management (AUM).

We have invested in digital technology to support 'Smart Working' to allow our colleagues to work from home and increased investment in digital storage facilities thereby mitigating risk.

ESG, including climate, is embedded within our Responsible Investment strategy to reduce risk and maximise opportunities related to our investments. Details of our Responsible Investment strategy and how this reduces our risk are discussed in the Corporate Responsibility Report on pages 9 to 11.

The Group is a member of two collaborative engagement platforms: The Investor Forum and Climate Action 100+. Through collaborative engagement with other investors, the Group can influence and address various ESG topics, including climate and wider themes.

Where we procure energy directly, we aim to ensure that all energy is from renewable sources supported by Renewable Energy Guarantees of Origin (REGO). In 2022, 61% of our energy was from renewable sources and 83% of our directly procured energy.

Transition risk

Policy and legal

The GEC is supported by colleagues with responsibility for keeping abreast of developments related to climate and ESG.

During the year, we introduced an ESG policy, an environmental management framework (EMF) and an environment policy. The environment policy supports the EMF and provides detailed guidance on our approach to the environment and climate issues. The policy deals with energy, waste and recycling, water efficiency, biodiversity and security, sustainable buildings and property moves and sustainable fitouts. It also expands on our approach for our value chain. These will be reviewed annually.

As part of our ESG integration roll out, we continue to provide ESG updates to investment managers, sector specialists and research analysts, as well as the Board and the GEC.

SRIG and SRI, supported by Sector specialists, are fundamental for fulfilling our duty as responsible investors to ensure that ESG objectives are given due consideration. For further details see page 9.

Technology

The investment in investment management, custody and settlement technology system over the last two years and the integration of the 'legacy' portfolios following the merger will allow us to further embed ESG within the responsible investment process and ensure client sustainability preferences are fully integrated within portfolios in the years to come.

We use third-party research tools and databases to provide our investment managers with core ESG data and tools to assist in measuring ESG factors and sustainability risks for the investments we manage for our clients. The tools will aid us to measure and manage the ESG risks related to our discretionary AUM managed on behalf of clients. Whilst ESG data is not currently available for all investments, coverage should increase annually. These tools will also allow us to meet EU SFDR and UK TCFD regulatory reporting requirements in the years ahead.

Our third-party research tools allow us to map investments and portfolios against the 17 sustainable development goals (SDGs) and provide useful analysis regarding the rating for each element of ESG.

Market

We offer clients a bespoke ESG discretionary service. Portfolios are tailored according to individual client preferences, including screening ESG attributes. We are also able to provide clients with the carbon footprint of their portfolios, upon request.

We offer a Sustainable Managed Portfolio Service and the Evelyn Active Portfolios (EAP) range as detailed on pages 10 to 11. The Sustainable EAP fund is classified as an Article 8 product under the EU Securities Finance Disclosure Regulation (SFDR).

Evelyn Partners was awarded 'ESG Initiative of the Year' and 'International Discretionary Fund Manager of the Year' at the International Adviser Awards 2022.

We aim to improve the knowledge base of our clients, through the production and communication of responsible investing articles and thought leadership pieces, as well as regular conferences and webinars.

Reputation

As signatories to the UN PRI and supporters of the UK Stewardship Code 2020, we have incorporated ESG factors alongside traditional financial metrics into our responsible investment processes. Both require regular and transparent reporting and will help reduce reputational risk.

We are working towards operational Net Zero and will further develop our environment strategy, risk management and metrics and targets as we further align with the TCFD and work towards reducing our environmental impact. We will be submitting our second CDP climate questionnaire in 2023.

Scenario analysis

It is important that we are aware of the climate impacts associated with our corporate operations and that consideration of ESG, including carbon-emissions and climate, is embedded within our corporate operations and investment processes.

The risk from transitional developments, which was explored in the ESG Scenario Analysis carried out in 2021 and refreshed in 2022, is considered valid and appropriate.

Two scenarios were considered that centred on the failure to accurately deliver regulatory requirements:

- a failure in trust and tools of the Group to correctly monitor and manage a client's portfolio in line with their ESG requirements. This could lead to litigation and a single issue at the Financial Ombudsman Service (FOS)
- a stressed version of scenario 1 where the Group is assessed as being in breach of all three themes: transparency, trust and tools, with a systemic failure of ESG requirements resulting in an FCA fine due to the failings.

A further scenario was considered based upon a significant change in climate (a 2-4% rise in temperature leading to a market drop of 40%); this is a Bank of England stress testing scenario.

We plan to further enhance our stress testing to assess climate-related risks to the business over the coming years.

Risk management framework

Our risk management framework sets the oversight regulation and supports our Corporate Responsibility strategy. The chart below shows how we identify, assess, monitor and mitigate risks. The principal risks, the risk management framework and methodology are detailed on within Principal Risk and Uncertainties in the Annual Report.

Risk management framework

The Board are ultimately responsible for ensuring that adequate systems and controls are in place and that the Group operates in accordance with all relevant legal and regulatory requirements. The Group Boards have delegated risk management to the GRCC with oversight by the RAC.

GRCC recommends the risk management policy and framework to the RAC. It reviews and recommends the Group's key risks, associated scenario analyses, risk appetite and key risk indicators to the RAC.

The Group Risk team maintain detailed risk registers, including climate-risk scenarios and the impact of both physical and transition risk, over different time frames. Every Committee is responsible for identifying the risks relating of their business area and for escalating those risks through the governance structure of the Group.

Investment and ESG risks

Our policies and controls are designed to reduce risk and are regularly reviewed.

Our central investment strategy identifies short (0-1 year), medium (1-5 years) and long-term risks (5-10 years), including those risks posed by structural trends, such as climate change, amongst other risk factors. This informs the asset allocation process and top-down sectoral recommendations to investment managers.

From a bottom-up perspective, our analysts identify the top 3-5 material ESG impacts for each sector and use this to evaluate the short, medium, and long-term impact of ESG factors on performance. Sector specialists categorise collectives into three categories: Green Tick funds, Responsible/Sustainable funds, and all other funds.

We use third-party research tools and databases to provide our investment managers with core ESG data to assist in measuring ESG factors and sustainability risks. These tools allow investments to be mapped to the 17 Sustainable Development Goals (SDGs), the Principal Adverse Impacts (PAI) and for key indicators to be identified such as Scope 1, 2 and 3 emissions (when available) measured in line with the Greenhouse Gas protocol. They provide useful analysis regarding the rating for each element of the environmental, social or governance rating.

Our approach to voting is based on the expertise and experience of sector specialists and investment managers, which allows more nuanced judgements than the rules-based approach provided by proxy voting advisers. We also use proxy voting advisers.

Learning and development around ESG continues to be a key priority for the Group. Financial Services colleagues and members of the Board and senior executives receive ongoing training on stewardship and responsible investment.

We aim to improve the knowledge base of our clients, through the production and communication of responsible investing articles and thought leadership pieces, as well as regular conferences and webinars.

Metrics and targets

As a UK incorporated, large organisation, Evelyn Partners is required to report its UK energy and Greenhouse Gas (GHG) emissions information. We have used the main requirements of the Greenhouse Gas Protocol to calculate our emissions. We have reported on all the emission sources required under the regulations.

Scope 1, Scope 2 and Scope 3, excluding financed emissions

The table below summaries the energy consumption and global greenhouse gas (GHG) emissions for the Evelyn Partners Group for the year ended 31 December 2022, measured in metric tonnes of carbon dioxide equivalent (tCO2e), with comparatives for the prior year.

Scope	Description	Emissions tCO2e 2022	Emissions tCO_2e 2021
Scope 1	Direct emissions from the combustion of gas & fuel	**393.8**	286.9
Scope 2	Indirect emissions from the purchase of gas & electricity (location based)	**1,033.1**	1,225.0
Scope 3	Total Scope 3 emissions, excluding financed emissions	**42,613.6**	43,695.3
Total emissions, excluding financed emissions		**44,040.5**	45,207.2

Our Scope 3 emissions are further analysed as follows:

Scope 3 Category	Description	Emissions tCO2e 2022	Emissions tCO_2e 2021
1	Purchased goods and services	**35,474.5**	31,880.9
2	Capital goods	**2,690.0**	8,155.0
3	Fuel and energy related activities	**428.2**	504.7
4	Upstream transportation and distribution	**188.0**	221.0
5	Waste generation in operations	**58.3**	43.9
6	Business travel	**1,021.5**	303.8
7	Employee commuting (and homeworking)	**2,753.0**	2,542.0
8	Upstream leased assets	**-**	44.0
Total Scope 3 emissions, excluding financed emissions		**42,613.6**	43,695.3

Scope 3 category 13 is captured within Scope 3 category 1-8 emissions. All other Scope 3 categories 9 to 14 are not applicable to our operations as we are service providers.

Further details regarding our Scope 1, Scope 2 and Scope 3 emissions can be found on pages 5 to 6.

Assets under management (AUM) and financed emissions

As at 31 December 2022, AUM was represented as follows:

Assets under management (AUM) As at 31 December 2022	£'billion	Number of Portfolios
Discretionary AUM	40.0	93,468
Non-discretionary AUM	13.0	113,605
Total AUM	53.0	207,073

We measured emissions arising from the substantial majority of our clients' discretionary portfolios as at 31 December 2022. In line with the TCFD recommendations, we have provided measures relating to the discretionary portfolios of £40.0bn covering 93,468 portfolios which are within the scope of the TCFD.

The following table shows three key metrics related to those underlying assets, where data is available, combined with the percentage that this represents of the overall portfolios (Coverage).

Note	Headline metrics	Measurement Unit	31 December 2022	Coverage*
1	Scope 1 and 2 emissions	TCO2e	1,360,570	62.49%
2	WACI	TCO2e/M USD Sales	93.14	63.76%
3	Carbon footprint	TCO2e/M USD Invested	28.20	62.49%

Note 1: Our Scope 1 and 2 emissions are computed by apportioning the total emissions of the direct securities and collective instruments in which we invest based on the size of our holdings as a proportion of the most recently available enterprise value including cash (EVIC) as at 31 December 2022.

Note 2: Weighted Average Carbon Intensity (WACI) is calculated by taking the Scope 1 and 2 emissions apportioned to our investment portfolio as explained in Note 1, expressed as a proportion of the sales revenue of the underlying investments (in USD millions). WACI gives the carbon intensity of businesses rather than their total carbon emissions, thereby enabling comparisons.

Note 3: The Carbon footprint is calculated by taking the Scope 1 and 2 emissions apportioned to our investment portfolio as explained in Note 1, expressed as a proportion of the relevant enterprise value of each component of the portfolio. The Carbon footprint measures the emissions generated for each million dollars invested.

We have combined our holdings data with the data collected and calculated by our third-party independent provider to compute the metrics above in our proprietary tool.

Looking forward

As we work towards further alignment with the requirements of the TCFD and improve our understanding of our environmental impact throughout the value chain and reduce our emissions, we will:

- Seek to identify all climate-related revenues, costs, assets and liabilities to fully embed climate within financial planning
- Quantify the financial impact of climate-related risks and opportunities through development of the climate scenario analysis
- Establish key risk indicators, thresholds and KPIs
- Continue to select sustainable offices and sustainable fit-out of offices for office moves, where feasible
- Regularly monitor the environment impact of each office
- Complete the Energy Savings Opportunity Scheme (ESOS) Assessment in 2023
- Aim to increase our renewable energy and reduce our energy consumption and work with our landlords to encourage investment in lower consumption equipment and a switch to renewable energy sources
- Develop and roll-out our supplier ESG assessment to a selection of key suppliers and follow-up findings with them as we work towards reduction of Scope 3, category 1 and 2
- Ensure our GHG emissions for 2022 are independently verified and complete the CDP questionnaire in 2023
- Establish a climate strategy with metrics and targets
- Further embed ESG into our Responsible Investment processes, policies, strategy and decision-making
- Continue to work with our data providers to increase the coverage of the Scope 3 category 15 'financed emissions' valuations and report on the FCA TCFD rules in 2023
- Encourage further take up of the CFA ESG exams and other relevant internal and external training related to sustainability and responsible investment, including the CFA's 'Certificate in ESG Investing' and the 'Certificate in Climate', endorsed by the UN PRI
- Continue to share ESG knowledge and host Responsible Investment events
- Continue to keep abreast of the many developments, regulations and guidance relating to Net Zero.

Approval

Approved by the Board on 3 March 2023 and signed on its behalf by:

Chris Woodhouse
Group Chief Executive Officer

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