

RESPONSIBLE INVESTMENT

Responsible Investment preferences



Responsible Investment

As a responsible investor Quilter Cheviot is committed to its role as a steward of clients' assets in order to protect and enhance long-term returns. This encompasses our engagement with investee companies, through proxy voting and face-to-face dialogue, as well as taking into account environmental, social and governance (ESG) factors which could impact shareholder returns.

Your investment preference

It is important your portfolio reflects your responsible investment considerations and we shall be pleased to discuss these with you. We believe that most clients will be happy with our firmwide approach and therefore, unless you advise us otherwise, we shall treat you as having an 'Aware' preference. By this we mean:

My aim is to optimise financial returns for my risk level, and I acknowledge that being aware of ESG factors is an input to achieve this. For clients in the Aware category, investment managers can invest across the full spectrum of Quilter Cheviot's research universe of securities and funds on their behalf.

Our firmwide approach to Responsible Investment

At Quilter Cheviot we have adopted the UN backed Principles for Responsible Investment's (PRI) framework. The points below summarise our three main approaches to responsible investment. This applies to centrally monitored holdings only. Your Investment Manager has the flexibility, within a controlled framework, to tailor your portfolio with regard to asset allocation and security selection, in order to accommodate your investment requirements.

Stewardship

Involves engaging with investees, voting at shareholder meetings and filing shareholder resolutions/proposals.

Stewardship involves engaging with companies to discuss ESG issues to improve their handling and disclosure of such issues. This may be carried out individually or in collaboration with other investors. It includes voting, either in person or by proxy, which involves formally expressing approval or disapproval through voting on resolutions. Additionally, we facilitate client-instructed voting, therefore our clients have the ability to exercise their own stewardship.

ESG Screening

Applying filters to exclude or include investments based on specific criteria that reflect your values or investment objectives.

At Quilter Cheviot we have a firm-wide restriction on investing directly in cluster munitions and anti-personnel landmines. We also monitor any potential indirect exposure to this on an ongoing basis. Clients can also express their own preferences through screening on a bespoke basis.

ESG Integration

Considering ESG (environmental, social and governance) issues in investment analysis and decisions to better manage risks and improve returns.

It is not about excluding certain activities but it is understanding the ESG related challenges and opportunities. It is about risk mitigation. The approach depending on the asset class. ESG considerations are a component within the investment process - it is not the overriding consideration. At Quilter Cheviot this is integrated into the investment process and our research teams are responsible for incorporating this into their ongoing analysis of investments.

For clients who would like their portfolios to reflect their specific interests or preferences:



Ethical And Values Oriented Investment – Client Specific

This is incorporated on an individual client basis, informed by their specific ethical preferences and values. These will vary from client to client and will focus on industry groups, industries or individual companies.

Engaged



A Funds-Based Approach – Positive Change

A pragmatic approach that combines funds that invest with a sustainability focus or for impact, with funds managed by leading ESG practitioners. Meaningful engagement by fund houses with company management is prioritised over formal exclusions on the basis that engagement can encourage change where it is needed most.



A Direct Equity Approach* – DPS Applied

The strategies harness Quilter Cheviot's research and responsible investment process, as well as data from external providers, to implement ESG factor screening on a positive and negative basis. Positive screening relates to the process of only including companies that reach a certain performance threshold. Negative screening excludes companies involved in pre-defined activities or controversial practices. This ensures more emphasis is placed on ESG risks beyond the firm-wide approach to active ownership and ESG integration which forms the basis of the Aware categorisation.

Dedicated



Sustainable Investment – The Sustainable Opportunities Funds And Strategy**

Through an actively managed multi-asset approach, these are suitable for clients who want to support the development of sustainable societies by focusing on investment opportunities in the areas of Clean Energy, Food, Health & Well-Being, Resource Efficiency, and Water. Ethical exclusions are also applied to avoid investments in controversial sectors.

It should be noted that for portfolios that are aligned to Engaged or Dedicated strategies, or where clients place their own investment restrictions on a portfolio, the exclusions of certain sectors and stocks will have an impact on returns and risk relative to the respective benchmark.

* For UK, North American and European equity holdings

** Sustainable Opportunities Balanced Fund and Sustainable Opportunities Growth Fund. Prior to 8 September 2025, these Funds were known as the Climate Assets Balanced Fund and the Climate Assets Growth Fund.

To find out more about Responsible Investment at Quilter Cheviot visit our [website](#).
A glossary of terms can be found [here](#).

Quilter Cheviot

Senator House
85 Queen Victoria Street
London EC4V 4AB

 **+44 (0)207 150 4000**

 **enquiries@quiltercheviot.com**

 **quiltercheviot.com**

This is a marketing communication.

Investors should remember that the value of investments, and the income from them, can go down as well as up and that past performance is no guarantee of future returns. You may not recover what you invest.

Quilter Cheviot and Quilter Cheviot Investment Management are trading names of Quilter Cheviot Limited and Quilter Cheviot International Limited. Quilter Cheviot International is a trading name of Quilter Cheviot International Limited.

Quilter Cheviot Limited is registered in England and Wales with number 01923571, registered office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB. Quilter Cheviot Limited is a member of the London Stock Exchange, authorised and regulated by the UK Financial Conduct Authority and as an approved Financial Services Provider by the Financial Sector Conduct Authority in South Africa.

Quilter Cheviot International Limited is registered in Jersey with number 128676, registered office at 3rd Floor, Windward House, La Route de la Liberation, St Helier, JE1 1QJ, Jersey and is regulated by the Jersey Financial Services Commission and as an approved Financial Services Provider by the Financial Sector Conduct Authority in South Africa.

Quilter Cheviot International Limited (DIFC Branch) (Quilter Cheviot DIFC) is an established branch in the Dubai International Financial Centre ("DIFC") with number 2084 and is duly regulated by the Dubai Financial Service Authority ("DFSA"). Quilter Cheviot DIFC may promote financial information on behalf of its Group entities.

Approver: Quilter Cheviot, 16 September 2025.