



 **RATHBONES**

# Stewardship policy and context report

2026–29

# Contents

03

Introduction

04

Disclosure A : Organisation, investment beliefs and stewardship approach

08

Disclosure B: Governance and resources

10

Disclosure C: Policies, processes and review

11

Disclosure D: How we manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first

13

Disclosure E: Dialogue with clients and/or beneficiaries



# Introduction

As an organisation rooted in long-term relationships, we understand that good outcomes rely not only on sound financial decisions. They also depend on the quality of the systems, governance, and behaviours that support them.

This report sets out how we approached that responsibility in 2025. It serves as essential background for the accompanying Stewardship Report, which shows our stewardship activity and outcomes during that year.

Over the past few years, our business has grown, our capabilities have deepened, and our clients' expectations have continued to evolve.

What has remained constant is our belief that responsible investment is not an optional extra – it's integral to delivering the consistency, resilience and clarity our clients rely on, across the firm. Stewardship is most effective when it's practical, led by the evidence and grounded in a clear sense of purpose. It requires us to understand the risks and opportunities facing the companies and funds we invest in. It also demands from us constructive and consistent engagement where we believe we can make a difference.

Much of what follows in this document is the outcome of collective effort across the Group to build up our capacity in this area. That collaboration is one of our strengths. It helps ensure that stewardship is embedded, not siloed; understood, not simply documented.

We recognise that investor expectations are rising. Regulation, client scrutiny and pressures on society are all rapidly changing the landscape in which long-term investors operate.

As early signatories to the UNPRI, we welcome that direction of travel. It reinforces the importance of transparency, accountability, and a disciplined approach to stewardship. These values are already well-aligned with our heritage.

It was reviewed by the Board on 21 April 2026.

Signed,

A handwritten signature in black ink, appearing to read 'M Crossman', written in a cursive style.

**Matt Crossman**  
Stewardship Director, Rathbones Group

**Disclosure A**

# Organisation, investment beliefs and stewardship approach

Rathbones provides investment and fund management, and financial planning and advice. Our purpose is: **“To help more people invest their money well. So they can live well.”**

Investing well means fulfilling three promises: good results, deep and meaningful relationships, and responsible behaviours – all demonstrated consistently over time.

The words we use may be new, but they are also a fair description of our historical approach.

Our services:

## **Wealth Management**

Rathbones Investment Management provides investment management, and financial planning and advice.

## **Investment Management**

Actively managed discretionary services that offer strategies tailored to clients’ individual goals and risk tolerances.

## **Financial Planning and Advice**

Delivered either as a one-off service, or as part of an ongoing service. Clients can also choose financial planning as a standalone offering or combine it with Investment Management services.

## **Asset Management**

Rathbones Asset Management is our fund management arm. It offers a comprehensive range of investment capabilities across multiple asset classes, including equities, fixed income, emerging markets and multi-asset solutions.



## Wealth Management breakdown of FUMA

### By service level (as at 31 Dec 25)

	FUMA %
Discretionary and managed (including Model Portfolio Service and Select Services)	93
Execution-only	7

### By fund type (as at 31 Dec 25)

	FUMA %	% of clients
Private clients	32.0	29.9
ISAs	21.0	43.9
Pensions	16.0	12.8
Charities	9.0	1.8
Trusts	8.0	6.7
Other	14.0	4.8

### By size (as at 31 Dec 25)

	FUM %	% of clients
£10m+	18.4	0.8
£5m-£10m	11.5	1.5
£1m-£5m	41.3	18.7
£750k-£1m	7.0	7.1
£500k-£750k	8.4	12.1
£250k-£500k	8.8	21.4
< £250k	4.6	38.5

### By asset class (fiscal year 2025)

	FUMA %
Overseas equities	52.2
UK equities	18.1
Fixed income	19.4
Alternatives	7.3
Cash	3.0

## A strong geographical reach

### Offices

Belfast	Jersey
Birmingham	Kendal
Bournemouth	Leeds
Bristol	Liverpool
Cambridge	London
Cheltenham	Manchester
Chichester	Newcastle
Edinburgh	Sheffield
Exeter	Winchester
Glasgow	
Guildford	Falmouth – Vision
Guernsey	Independent
	Financial Planning

## Key numbers

**1742**

Founded in  
Liverpool by the  
Rathbone family

**21\***

Locations

**FTSE 250**

Company listed on  
the London Stock  
Exchange

**8.2%**

Of equity owned by  
employees

**631**

Investment  
managers

**111\***

Financial planners

**£116bn**

Managed by us for  
our clients

**£9.7bn**

Managed by us for  
our charity clients

**£2.4bn**

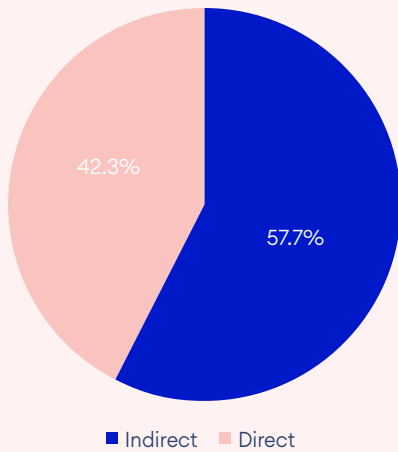
Managed by  
Greenbank

**3,300+**

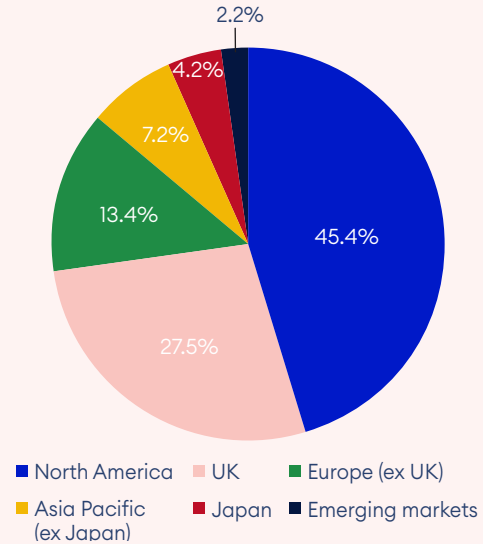
Employees

\*Excludes Vision Independent Financial Planning

**FUMA by direct vs indirect holdings (%)**



**FUMA by geography: listed equities (%)**



**Our investment beliefs**

At Rathbones, we manage your investments using a robust, evidence-led process that’s been shaped by decades of experience. We aim to protect and grow clients’ wealth through thoughtful asset allocation, disciplined investment selection and ongoing oversight. Our investment process is supported by experienced research teams, working closely with investment managers and fund managers. This framework ensures every decision, from asset allocation strategy to individual investment selection, is made with care, rigour and clients’ goals in mind.

We invest across a range of asset classes and instruments, which include equities, bonds and funds. (This is not an exhaustive list.) Selection committees for each area ensure rigorous scrutiny and consistent quality control. Our approach offers flexibility, depth and rigour, helping us create investment solutions that work across different market conditions.

We recognise that the environment, society and financial stability are connected. We have a fiduciary responsibility to our clients: investing for their long-term goals. We aim to deliver good financial outcomes and create value for our clients, while also making a positive contribution to society as stewards of our clients’ wealth.

We believe it is in the best interests of our clients that the companies and securities we invest in adopt good practice in managing ESG risks. This provides a framework for managing our clients’ long-term interests.

As a firm we have built a responsible business framework, which provides the blueprint for driving sustainable value for our broader stakeholders. In 2025, the Responsible Business Committee provided high-level direction and oversight for our Group policy relating to responsible investment and direct operational risks.

Our responsible investment policy guides the development and enhancement of our investment process and stewardship approach. It explains our four responsible investment principles, which we consider fundamental to enabling effective stewardship:

**1. ESG integration**

We consider ESG factors in the evaluation of investments to help identify opportunities and risks.

**2. Engagement with consequences**

We prioritise engagement where we can help make a difference in addressing systemic ESG

challenges. We are prepared to escalate our engagement activity or reduce our holdings in companies that continue to present an ongoing ESG risk.

### **3. Voting with purpose**

We actively vote in a manner that allows us to focus our resources where we believe we can make the most difference. This may involve voting against management to help drive positive change.

### **4. Transparency**

We are committed to being transparent about our approach to responsible investment. We will actively report on the progress of our responsible investment activities to our clients, shareholders and other stakeholders.

We have continued to invest in our responsible investment capability across all business areas. ESG integration is now incorporated throughout our investment process, deepening our analysis of direct equities, direct fixed income and fund holdings. The overarching responsible investment principles are consistent and resources complementary across business areas – for example, leveraging information and data in our engagement activity. The way we incorporate ESG considerations is tailored to fit the relevant investment service or mandate. This allows the investment manager or fund manager to be accountable for interpreting ESG and stewardship information to inform investment decisions in the context of the mandate or client objective.

### **Our stewardship strategy**

Our approach to stewardship is shaped by our responsible investment strategy. This can be characterised as a focus on issues material to the long-term, sustainable performance of our investments. Taking an active approach to stewardship and engagement is a core part of our service at Rathbones Group. It complements our investment analysis, as we aim to create, promote and preserve long-term value for our clients and fulfil our fiduciary duty.

Because the majority of our business relates to personal, bespoke investment services, we act for investors with a very wide range of views and opinions. Our stewardship approach therefore focusses on the issues and topics that we

consider to matter the most, to the widest range of clients – if we feel we can practically make a difference. One way we identify this is through our work with our Insights team, which seeks clients' views. Another is through our assessment of queries sent to our responsible and sustainable investment teams.

At Rathbones, we have a long track record of engaging on a wide range of issues that are considered financially material and present long-term systemic risk. Topics where we have undertaken engagement include climate change, biodiversity, and modern slavery.

We believe that engagement, when targeted appropriately, can create value for our clients. This is because it can cover a broad range of financially material ESG issues that could affect the long-term value of an investment.

The exchange of information with the companies and funds in which we invest can improve our understanding of how they address topics. It can further inform our investment analysis, including our understanding of how an investment may fare in different scenarios. Companies and funds can also derive insight from understanding the perspectives of investors, as well as other key stakeholders, to inform their strategies.

Where we see an opportunity to improve business practices for the benefit of clients, we will use our rights and position to influence the company to make changes. In some cases, we engage with a company to help it mitigate 'systemic risks' – risks that could affect the financial system, the wider economy, and the portfolios of large, diversified investors.

We engage directly with companies and funds. We also engage collaboratively, with a focus on specific sectors and themes. We may also engage with policymakers and data providers. Public policy and data can play a powerful role in shaping and incentivising progress towards sustainable development.

Our activity is set in the context of long-term ownership, clear objectives and ongoing dialogue.

## Disclosure B

# Governance and resources

### Governance

The Responsible Investment Committee has accountability for formulating policy, establishing standards of best practice, and monitoring implementation and oversight of ESG integration, engagement, and voting. This committee is attended by senior Investment colleagues and responsible investment subject matter experts. An assessment of progress against the principles of the Responsible Investment Policy is a key accountability for the committee.

The ESG Integration Committee updates the Group Responsible Investment Committee on the coverage and management of ESG factors across our investment universe and the results of periodic screening against specified standards.

The Responsible Investment Committee provides direction to and oversees the output of the Corporate Governance and Voting, and Engagement Committees. The Corporate Governance and Voting Committee is focused on proxy voting at investee companies and is responsible for the development and maintenance of our Voting Policy. The Engagement Committee manages the multi-year engagement plan, tracks progress against objectives, proposes new engagement priorities, and coordinates direct and collaborative engagement activity.

Day-to-day responsibility for delivery of stewardship services lies with the Stewardship Director.

### Resources

We have a responsible investment centre of excellence, which comprises individuals with specialist expertise in different areas of responsible investment, including stewardship, voting and engagement, sustainable investment, and ESG integration. The team leverages standards, analytical frameworks and data sources to support financial analysis and informed decision-making.

It is the responsibility of all our investment practitioners to take into account responsible investment considerations in their investment decision-making, as appropriate for the mandate. The headcount of these specialist resources is outlined below. They are all based in the UK.

Responsible business	2
Stewardship and engagement	7
Ethical, sustainable and impact research	8
ESG integration, policy and data	7

With regard to specific stewardship roles:

Role	Responsibilities
Stewardship Director	Strategic planning, vision-setting, external communications, high-profile public stewardship activities, marketing
Stewardship Lead	Managing key thematic engagements, proxy voting delivery and oversight, responsibilities for specific elements of the stewardship process. For example, reporting, voting, governance
Stewardship Analyst	Team support, proxy voting, delivery of work under thematic engagement themes
Greenbank Stewardship and Engagement Lead	Strategic planning, vision-setting, external communications, high-profile public stewardship activities, marketing
Greenbank Ethical, Sustainable and Impact Researcher	Engagement with companies as part of the role, not full-time on stewardship activities
RAM Engagement Analyst	Strategic planning, vision-setting, proxy voting, delivery of thematic engagements, engagement reporting and documentation

### **Incentives to integrate stewardship into investment decision-making**

Rathbones creates an open and transparent working environment. We want our colleagues to feel empowered to make decisions that are in the best interests of our company, our clients and other stakeholders, and the world around us. All colleagues are expected to act responsibly. Driving forward our responsible investment strategy is incorporated into the objectives of several executive and senior-level roles.

Senior-level accountability for overseeing and implementing responsible investment has been assigned and incorporated into job descriptions and key objectives, against which performance is assessed. Where ESG risks form a key part of a colleague's role, these considerations are incorporated into their appraisal discussions, performance assessments and remuneration.

Standard HR procedures, such as personal development plans and the annual performance review process, ensure that colleagues have appropriate skills, diversity and experience to deliver their roles. Data and tooling as outlined below inform guidance and investment decision-making.

### **Partners, systems, and technology**

We have commercial relationships with the following providers of stewardship-related services:

**MSCI** – for ESG ratings, issuer-level research and monitoring controversies

**Sustainalytics** – for ESG ratings and issuer-level research

**ISS** – providers of voting-related services, including a proxy voting executive platform and delivery of voting advice according to our custom policy

**Verity RMS** – providers of bespoke engagement tracking platform used by RIM and RAM

In addition, we use a proprietary tool that aids analysis of portfolios, including through an ESG lens. This is explained in more detail in Section E.

**Microsoft Copilot** – we have developed a suite of tools to assist with the streamlining of stewardship tasks, including internally developed agents that assist with AGM voting research, policy and regulation development, and drafting letters.

**Microsoft 365** – we use Teams, Planners, and Power Automate Flows to enable better coordination of stewardship activities across the business.

## Disclosure C

# Policies, processes and review

Our responsible investment policy was created to guide the development and enhancement of our investment process and stewardship approach. It explains our four responsible investment principles, which we consider fundamental to enabling effective stewardship: ESG integration, engagement with consequences, voting with purpose, and transparency. These are already set out in more detail in Section A. Each policy is owned by a committee or sub-committee responsible for its implementation and accountable for its development

Through our centre of excellence we have established process that aid with the implementation of the key policies set out on this page. The teams make use of various project planning tools to ensure coordination. For example, the corporate governance and voting committee owns the voting policy, and has a defined workflow for consulting internal stakeholders on specific proxy votes; the engagement committee works as a clearing house for projects on ESG risks, and signs off new approvals for project work on specific issues.

### Engagement policy

This policy explains how we approach the selection and execution of engagement projects, our escalation methods, and how we monitor effectiveness. We conduct all engagement directly or through recognised coalitions. We do not contract out any engagement services beyond those of our voting research provider in the normal course of their research process. This approach is based on our corporate culture and purpose, as explained in our compass diagram on page 4.

### Net zero engagement policy

This policy explains in more detail how we approach the issue of engagement on net zero across our investment management business, specifically relating to execution of responsibilities derived from the Group's SBTi net zero targets and our membership of net zero-related membership groups.

### Voting policy

Our voting policy specifies standards to inform voting for listed companies. It is a bespoke policy for our investment management business (which accounts the large majority of FUMA). It specifies desired voting outcomes for listed companies. While our asset management business uses a benchmark sustainability policy supplied by the voting provider, there is a great deal of coordination between the two teams, with the optimal default being to vote the same way, where this is possible and where this enables the fullest expression of fiduciary duty for both businesses.

### Production and review

All the policies mentioned above are owned and managed by the relevant committee and overseen by the Responsible Investment Committee. These policies are reviewed on an annual basis, currently a process not utilising external review. Colleagues from the various stewardship teams, the CIO, senior members of the Responsible Investment Committee, compliance and group responsible business play a role in critiquing the policies.

### Conflicts of interest

All employees are covered by our general Group conflicts of interest policy. We reproduce our specific policy for managing conflicts of interest in the voting and engagement process on the next page.

The most common situation in which a conflict arises is where a client also serves on the Board of a company or other listed vehicle, and the personal relationship is potentially in competition with the necessary governance issues at hand. For example, where clients in our private wealth businesses are also Board members of companies in which we invest more generally.

It may be in the best interests of the wider client base for a chair to be removed, but not in the best interests of the person managing the chair's account. Our policies deal with this situation by making sure such conflicts are disclosed well in advance.

## Disclosure D

# How we manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first

We have a clear responsibility under UK regulation to maintain a robust internal conflicts of interest policy. With regard to the oversight of voting of shares in priority companies and the undertaking of engagements with those companies on ESG issues, we have identified the following potential conflicts of interest:

- a. For proxy voting, it is our preference to amalgamate all votes on a particular issue into a unified stance. Corporate Governance and Voting Committee members have an opportunity to shape our voting stance. This could lead to a potential conflict, should the interests of shareholders diverge from those of connected persons.
- b. Different clients may have different needs and requests concerning voting issues. For example, a vote may be offered on the issuance of new shares and clients may wish to vote differently from our central recommendation. Clients may have different risk appetites or income requirements, so votes on approval of the dividend could give rise to conflicts between clients.
- c. We may be required to direct our votes at RIM on governance issues at RAM. This could present a conflict between commercial and client outcomes.
- d. Rathbones' employees may serve as non-executive directors on boards of companies or investment companies. A conflict may arise when a committee member is either directly employed by a listed company or could be pressured by colleagues internally to determine pay and conditions for Board members.
- e. A conflict could arise where a client serves as a director, CEO, Chair or other senior

employee of a company and may place undue pressure on the Stewardship team to follow a particular course of voting action that may be in conflict with the best interests of clients.

Internal controls to mitigate conflicts of interest in the stewardship process:

- a. Declaration: Voting and Engagement Committee members are required to complete a declaration form each year in order to disclose and manage their conflicts of interest. When a stock is discussed in the committee to which the members have disclosed a connection, members are required to recuse themselves.
- b. Public voting policy and voting record: High levels of transparency help reduce the likelihood of conflicts arising. We publish our voting policy and make our voting record on listed companies public. External actors are therefore able to track whether our voting is in line with our stated policy and note any divergence.
- c. Client register of interests: We recognise that clients with a large high net worth may dominate our holdings of a particular stock. A conflict would arise where that client may, as a Director, CEO, Chair or other senior employee, place undue pressure on the Stewardship team to follow a particular course of voting action that may be in conflict with the best interests of our other clients. We therefore maintain a register of such client holdings, flagging such exposures. We allow split voting to manage such conflicts (i.e. where we vote a client's shares one way and the rest of our discretionary holding in conflict with the wishes of the larger client).

- d. Client voting requests: We have a clear process for allowing clients to request that voting for their shares be instructed in a particular way, without changing the implementation of our wider voting policy. Any debate on a proposed course of action is discussed by the Responsible Investment Committee, with one of the co-CIOs holding the casting vote in the event of a tied decision.
- e. Firewalls/structure: The approach to voting is designed to keep it free from undue external interest. Only committee members can see the voting recommendations, and they must declare conflicts of interest before contributing.

## Disclosure E

# Dialogue with clients and/or beneficiaries

### Communication with clients

Given the bespoke nature of our core service, our Group-level responsible investment and stewardship reporting is high-level, covering the most important and pressing issues which we consider, for most of our clients, to be the most relevant to them. We publish our voting record in full on our website, offering enhanced reporting on stewardship where the client requires it or where this is required by regulation. This includes, for example, detailed information in the following ways:

- Voting reports for pension schemes covered by the Pensions and Lifetime Savings Association reporting requirements
- Portfolio-specific engagement reports on request
- TCFD-aligned portfolio data available on request, fund reports available from the Asset Management website

We supply our PRI transparency report on request. In addition, a monthly stewardship update is sent to all fund managers for inclusion in their regular day-to-day communications with clients. Finally, we publish annual summary information in our Stewardship Report.

### How we seek our clients' views: Investment Management

Our business model involves direct communication between a client and their investment manager. Bespoke, segregated portfolios based on this communication form our core offerings. As managers of predominantly discretionary retail clients on a segregated portfolio basis we are obliged to collect, process and assess the suitability of our investment offerings for our clients. For new clients a full suitability assessment is carried out, including a client's views on ESG. This can include both exclusions and broader responsible investment requirements. For existing private clients, information is updated via periodic

reviews. Pension funds and charities often have investment policy statements (IPs) that express their responsible investment views.

All information is played back as part of our 'Your Investment Mandate' document, which is sent to clients, confirming our understanding of their investment needs (including responsible investment). A combination of conversations, formal IPs and playback with clients ensures we understand client responsible investment needs properly.

Suitability is an ongoing process and a key fiduciary duty – part of the obligation to act in the client's best interests. Suitability of the client's investment mandate is reviewed at least every three years. Through the regular direct contact between investment managers and clients, we also continuously monitor whether the portfolio is within the mandate. This includes responsible investment, a mandatory part of the suitability review process for existing clients. The same information-gathering and playback process operates as for new clients.

We have a quality control and investment risk process. The Quality Control and Investment Risk process teams regularly check that portfolios are being managed to mandate.

When we manage portfolios on a discretionary basis, clients entrust us to implement their investment needs as we see fit. Once we have responsible investment information as part of our suitability process, investment managers are then empowered and supported in implementing these needs, at their discretion. Any negative restrictions are embargoed within our investment management systems, preventing purchases of excluded stocks.

Clients are made aware of our approach to voting and engagement, and managers are equipped to explain what we do and why. As set out in our terms of business, where clients express a view different to our own, we are able

to incorporate bespoke voting instructions. This further helps to ensure that we manage to mandate from a responsible investment perspective.

Investment managers have the ability to view portfolios through the lens of climate and ESG metrics. This enforces a virtuous circle of implementation, reporting, client discussions and further implementation, with changes made as required. Any changes in how we manage a client's portfolio are informed by their feedback.

Investment managers undertake regular communication with clients. This enables us to respond to specific requests, such as a tailored client voting instruction. The ability of investment managers to conduct ESG research specific to a particular client's portfolio was enhanced with the launch of a new information-sharing tool in 2025, Portfolio X-Ray (Port XR). Port XR is an in-house analytical tool that allows investment managers to view portfolios across a range of traditional financial and non-financial criteria. It includes a conduit for ESG ratings and research to be accessed at a client portfolio and stock-specific level.

However, we appreciate that there is a need for ongoing sampling of views of our client and potential client base, so that we can ensure our stewardship programme covers the issues and activities which most people agree with. This client research ensures that our priorities and focus capture an awareness of client perspectives, and of their evolving needs.

#### **How we seek our clients' views:**

##### **Asset Management**

Our fund managers have a fiduciary duty to engage and vote on behalf of their clients. It is very difficult in practice to seek the views of all of unitholders since the funds are mainly distributed through UK investment platforms, and those platforms do not provide the business with any data on who the underlying holders are. We have therefore made our engagement stance as clear as possible and are transparent about our voting record.

##### **How the firm engages with clients**

We engage with our clients through a variety of channels, including:

- Personal contact with our investment teams, which is a feature of our service. We don't employ relationship managers.
- Regular meetings between clients on the one side and their investment managers and financial planners on the other
- Virtual and in-person conferences for private clients, intermediaries and IFAs



## Contact us

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 Rathbones Group Plc



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