

## Our reporting suite

This report forms part of our wider reporting suite where you can find out more about our full activities.



(f) Annual Report and Accounts 2024



( Gender Pay Gap Report 2024



(f) Climate Report 2024



(f) Responsible Investment Report 2024

This report is for the financial year ending 31 December 2024. It outlines our commitment and approach to responsible business, along with key 2024 progress updates.

On 21 September 2023, following regulatory approval, Rathbones Group Plc completed its planned combination with Investec Wealth & Investment UK (IW&I). Throughout this report figures stated include IW&I, unless otherwise indicated. Where practicable, a like-for-like comparative has been included.

## **FURTHER INFORMATION LINKS**

Throughout this report we use these icons to indicate where you can find out more.

Read more

(B) Visit website

## **CONTENTS**

#### 1 INTRODUCTION

- 1 Group Chief Executive Officer's welcome
- 1 2024 highlights
- 2 What we do and where we do it

## 3 OUR RESPONSIBLE BUSINESS APPROACH

- 3 Our updated responsible business framework
- 5 Working together
- 6 Areas of progress
- 7 Oversight of responsible business

#### 9 OUR CLIENTS

- Overview and progress in 2024
- 10 Client service, experience and product offering
- Responsible marketing
- 2 Responsible investment and stewardship
- 13 Spotlights: Impact in action

#### **16 OUR COLLEAGUES**

- Overview and progress in 2024
- 7 Culture and values
- 18 Diversity, equality and inclusion (DE&I)
- 9 Employee learning and development, wellbeing and benefits
- 20 Spotlights: Impact in action

#### 22 OUR COMMUNITIES

- Overview and progress in 2024
- 23 Community investment
- 24 Financial inclusion and education
- 25 Entrepreneurs
- 26 Policy engagement
- 27 Spotlights: Impact in action

## **30 OUR GOVERNANCE**

- Overview and progress in 2024
- Human rights and supplier engagement
- 32 Corporate governance and ethics
- 33 GHG emissions and operational impacts
- Our approach to managing our impact
- 35 Spotlights: Impact in action

#### **38 FURTHER INFORMATION**

- 39 Methodology
- 39 Statement of accuracy
- 40 Our Sustainable Development Goal alignment

## INTRODUCTION

# Group Chief Executive Officer's welcome

**PAUL STOCKTON**GROUP CHIEF EXECUTIVE OFFICER

Rathbones remains steadfast in its commitment to delivering long-term value, contributing positively to society, and addressing the environmental and community impacts of our business activities. We have taken the post combination opportunity to initiate a process to refresh our purpose and values, ensuring they reflect the shared ethos of our combined business, and we are excited to share further updates on this in 2025.

As expectations of business evolve, we continue to progress our responsible business framework and approach. Building on the materiality assessment conducted in 2023, we undertook in-depth research and engaged with our colleagues to ensure our updated approach reflects what matters most. This refreshed framework, shared in our 2024 reports, provides a renewed focus to managing our key social and environmental topics. It provides a common lens that links our activities together to create value for our stakeholders, from our clients and employees to our communities. the environment, and ultimately our shareholders.

Sitting at the heart of our new responsible business framework is our commitment to our clients, the impact of their investments and how we help them invest to meet their financial goals. Our newly formed Client Office will help further improve our already strong services and processes for our clients, ensuring that Rathbones stands out in a competitive marketplace.

Throughout 2024, collaboration has remained a cornerstone of our approach, and we continue to work closely with our partners to deliver on our goals and ensure that our activities create long-term value for our stakeholders, society, and the environment. Our ongoing commitment to external frameworks, such as the UN Global Compact, underscores our dedication to maintaining the highest standards of responsible business.

Looking forward, I am confident that the combined expertise, values, and shared commitment to responsibility across the Group will support us as we continue to build a sustainable and profitable business in the years to come.



2024 highlights

743

DIRECT ENGAGEMENTS
WITH COMPANIES

8

EMPLOYEE INCLUSION NETWORKS

**78** 

CHARITY PARTNERS SUPPORTED

96.1%

EMPLOYEES COMPLETED THEIR ANTI-BRIBERY AND CORRUPTION TRAINING

20

SITES (OUT OF 33) USING RENEWABLE ELECTRICITY

19

RATHBONES INSPIRE SESSIONS FOR ENTREPRENEURS

# WHAT WE DO AND WHERE WE DO IT

INTRODUCTION

Rathbones is an independent, people-led business, underpinned by a strong culture of professionalism and integrity. With 23 offices throughout the UK and Jersey, we are a leading provider of individual investment, wealth management, asset management and related services for private clients, charities, trustees and professional partners.

## Wealth management

#### INVESTMENT MANAGEMENT

Clients of this discretionary service can expect a tailored investment strategy that meets individual objectives backed by an investment process that aims to provide risk-adjusted returns to meet clients' needs today and in the future.

#### **OUR SPECIALIST CAPABILITIES**

- Charities and not-for-profit organisations
- Our specialist ethical arm, Greenbank
- Personal Injury and Court of Protection
- Ability to service international clients through Rathbones Investment Management International (RIMI).

#### **OUR SERVICES**

## Bespoke service

Provides clients access to a dedicated investment manager who will construct and manage a bespoke portfolio that is specifically tailored to their needs.

#### Managed service

Provides clients with access to a dedicated investment manager who will invest in a range of ready-made, diversified multi-asset portfolios managed by Rathbones Asset Management (RAM).

## Select

Provides clients direct access to a range of ready-made, diversified multi-asset portfolios managed by RAM. Select does not come with a dedicated investment manager; it is a more appropriate and cost-effective solution for smaller value portfolios.

## **FINANCIAL PLANNING AND ADVICE**

We provide financial planning and advisory services through Rathbones Financial Planning and Vision Independent Financial Planning. We also offer UK trust, tax and legal services through the Rathbones Trust Company.

Clients can choose a financial planning service as a standalone offering or combine it with one of our Investment Management services.

We can deliver our financial planning services to clients in one of the following ways:

- Initial advice, which could be delivered as a one-off service
- Ongoing advice and planning.

#### **COMPLEMENTARY SERVICES**

As a licensed deposit taker we are able to offer our clients a range of banking services including currency and payment services, fixed interest term deposits and loans to existing clients.

We are now able to offer SIPP administration services to clients.

## Asset management

Rathbones Asset Management is a UK fund manager, offering actively managed equity, fixed income and multi-asset capabilities for retail- and institutional-type investors. Our range of single-strategy and multi-asset funds are designed to potentially meet investors' core investment needs, or provide 'building blocks' for wealth solutions, with distribution primarily through UK advisors.

International clients may also access our funds through the Rathbone Luxembourg Funds SICAV, which allows access to a similar range of actively managed funds.

23<sup>1</sup>

LOCATIONS IN THE UK AND CHANNEL ISLANDS

£109.2bn

MANAGED BY US FOR OUR CLIENTS

**FTSE 250** 

COMPANY LISTED ON THE LONDON STOCK EXCHANGE

## Where we do it

With offices throughout the UK and the Channel Islands, clients are never far away from high-quality, personalised wealth management services.



1. Includes Vision Independent Financial Planning

## **OUR RESPONSIBLE BUSINESS APPROACH**

## OUR UPDATED RESPONSIBLE BUSINESS FRAMEWORK

In 2024, we strengthened our responsible business framework through rigorous research and analysis, including a materiality assessment, competitor review and stakeholder engagement. Our updated framework was approved by the Responsible Business Committee in September 2024.

Our responsible business framework guides our approach to delivering for our clients, supporting our colleagues and communities, having strong governance in place, and being responsible towards the environment. We work with a broad range of partners, recognising that collaboration will help drive the changes we, and our stakeholders, want to see.

The framework covers our key social and environmental topics, as identified through our impact materiality assessment. These topics are organised into four themes. These themes will help guide our actions, track our progress, and structure disclosure and reporting aligned with key sustainability frameworks.



#### **OUR RESPONSIBLE BUSINESS APPROACH**

**OUR RESPONSIBLE** 

**BUSINESS APPROACH** 

#### **AMBITION AND IMPACT**

We prioritise the long-term perspective to create value for our clients and contribute to our communities. Our commitment to investing for everyone's tomorrow involves understanding environmental, social, and governance (ESG) issues, ensuring best possible outcomes for our business and stakeholders.

## MANAGEMENT OF RESPONSIBLE BUSINESS

Our commitment to creating long-term value for our stakeholders includes putting in place strong governance foundations to hold ourselves to account. Alongside clear accountability, we monitor our progress and report on our commitments in a transparent and timely manner. Our responsible business programme enables us to deliver on our purpose through activities including our responsible investment approach, our diversity, equality and inclusion (DE&I) programme, our community investment programme, and our action to reduce our environmental impact.

Throughout 2024, our Responsible Business Committee received updates on initiatives across our responsible business approach. The Board has oversight of our performance across our responsible business framework. More on this, and Rathbones' commitment to risk management, reporting, external frameworks, policies and procedures can be found on page 7.

This year, as part of our updated responsible business framework, we have refined our approach to addressing environmental impact and net-zero commitments. Investment-related targets are now aligned with the theme of 'our clients', while operational targets are incorporated within 'our governance'. This adjustment reflects the fact that much of our environmental footprint stems from the investments we manage on behalf of our clients. However, the governance and oversight of our operational footprint remains a priority and continues to be managed diligently. We are still committed to reaching net zero emissions by 2050 or sooner, and our restated near-term net zero emission targets will be submitted for validation by the SBTi.

To find out more about our commitment to net zero please see our:





#### LOOKING FORWARD

In 2025, we will develop a more detailed responsible business strategy and implementation plan to support the new responsible business framework. This will include setting up workstreams dedicated to each theme of the framework, identifying appropriate metrics and setting new targets where required, and ensuring continued alignment with emerging regulation.

## PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI)

The United Nations Principles for Responsible Investment (PRI) is a set of guidelines for investors to make responsible financial choices. The PRI recognise climate change as the highest priority ESG issue facing investors and works to help investors protect portfolios from risks and realise opportunities. Our responsible investment implementation is assessed at an asset-class level and as a PRI signatory, we receive feedback that supports the enhancement of Rathbones responsible investment processes.

As part of the recent combination with IW&I, Rathbones is undergoing a transition period to align reporting frameworks and consolidate data across the newly combined business. In 2024, this aligned with a year where for the Group reporting was voluntary. The opportunity was therefore taken to not report in 2024 (for 2023 activities). We will report in 2025 based on 2024.

We remain fully committed to responsible investment and the principles of the PRI and look forward to resuming our participation with a unified and strengthened approach in the next reporting cycle. Please see our <u>dedicated</u> <u>webpage on PRI</u> for full details on the principles and reference to previous transparency report.

## OUR RESPONSIBLE BUSINESS APPROACH WORKING TOGETHER

We cannot deliver the level of change needed to impact the world's most pressing environmental, social and governance issues on our own. Therefore, we have joined forces and operate in alignment with selected recognised initiatives and frameworks. This approach, alongside our work with regulators and delivery partners, improves our understanding of stakeholder expectations and response opportunities. A selection of our affiliations and partnerships, which are overseen by the Responsible Business Committee, can be seen below. For more, please see our website.

#### **OUR CLIENTS**

Recognising the importance of understanding and managing biodiversity loss, we continued to engage collaboratively through Nature Action 100 (NA100). We are in the dedicated engagement teams for four priority companies.



In December 2024 we joined the Personal Investment Management & Financial Advice Association (PIMFA) Sustainable Finance Working Group to provide feedback to regulators and policymakers.



In 2024, we worked with Alpha FMC to conduct an extensive client experience survey. The insights are used to guide client activity in the next year.



#### **OUR COLLEAGUES**

We are committed to the Government's Disability Confident Employers Scheme, a programme designed to support businesses in becoming more inclusive and accessible for individuals with disabilities. As part of this initiative, we have achieved Level 1 status, earning recognition as a 'Committed' employer.



In 2024, we also initiated new partnerships with LGBT Great who seek to drive LGBT+ inclusion across financial services.



We have continued to work with the Armed Forces Covenant, and in 2024 we were awarded the Silver Award for making the commitment that those who serve or have served in the armed forces, and their families, are treated fairly at Rathbones.



## **OUR COMMUNITIES**

We continued our support for Young Enterprise for a second year. For more information on our partnership, please see the spotlight on page 28.



In 2024, we partnered with MyBnk to empower young adults aged 18-25 with essential financial skills through two-day workshops.



In 2024, we committed to supporting Justice and Care in their work to provide comprehensive care for survivors, with dedicated Navigators who assist in accessing essential services like healthcare and training.



#### OUR GOVERNANCE

We are working with the Science-based Targets initiative to resubmit our near-term emissions targets.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Our Responsible Business Committee continues to oversee our alignment to the UNGC's ten principles and the Sustainable Development Goals (SDGs). We review our alignment to, and progress against, these SDGs in more detail on page 4O.

#### **WE SUPPORT**



To support the development of our nature work, Rathbones Group Plc is a member of the TNFD Forum. Our thinking is aligned with the mission and principles of the TNFD and work will take place in 2025 to develop our response to the recommendations.



# OUR RESPONSIBLE BUSINESS APPROACH AREAS OF PROGRESS IN 2024

OUR RESPONSIBLE BUSINESS APPROACH

THEMES	AREAS OF FOCUS	2024 PROGRESS	FURTHER INFORMATION	
<b>CLIENTS</b> Applying an active and thoughtful approach	Client service, experience and product offering	Conducted an extensive study with over 3,000 participants and created a multi- dimension market segmentation, defined by lifestage, attitude and source of wealth	Read more: See page 10	
to client service, marketing practices and	Responsible marketing	sible marketing 99.8% of in-scope employees completed anti-greenwashing training		
responsible investment		98.7% of our Investment Managers completed mandatory training, including our vulnerable client module		
	Responsible investment and stewardship	Undertook 743¹ engagements (2023¹: 752) on 53 topics ranging from anti-microbial resistance to succession planning	Read more: See page 12	
		24% of in-scope FUMA have set Science Based Target initiative aligned targets		
COLLEAGUES	Culture and values	eNPS score of 14 (benchmark of 26)	Read more: See page 17	
Ensuring our people are safe, supported and treated fairly		We commissioned and performed an independent culture evaluation, involving interviews and focus groups with Rathbones and IW&I colleagues		
	Diversity and inclusion	Eight employee networks brought together members from Rathbones and IW&I, supporting broader inclusion	Read more: See page 18	
	Employee learning and development, wellbeing and benefits	Supported our colleagues though organisational change. This included delivery of training and toolkits on leading through change and resilience, and the delivery of wellbeing events both in person and online	Read more: See page 19	
COMMUNITIES Ensuring we support positive change in our industry and our communities	Community investment	O.7% of pre-tax profit invested in our local communities, supporting 78 charity partners at both a national and regional level	Read more: See page 23	
	Financial inclusion and education	Nine Rathbones financial awareness sessions run, our support for Young Enterprise continued and we welcomed MyBnk as a partner supporting their work focused on vulnerable young adults	Read more: See page 24	
	Entrepreneurs	Hosted 19 Rathbones Inspire sessions in 2024 which engaged over 300 participants	Read more: See page 25	
	Policy engagement	Responded to public consultations and engagements with industry bodies, regulators and government officials on matters ranging from the proposed reviews to the Stewardship Code to the FAC consultation on diversity and inclusion in the financial sector	Read more: See page 26	
GOVERNANCE Enhancing our governance through embedding privacy, human rights, nature and climate risk considerations in our decision-making process	Human rights and supplier engagement	79% of our in-scope suppliers were reviewed through our responsible business assessment. Topics raised include net zero commitments and modern slavery	Read more: See page 31	
	Corporate governance and ethics	96.1% of in-scope employees completed anti-bribery and corruption training	Read more: See page 32	
	Operational GHG emissions and impacts	Resource consumption <sup>2</sup> : 20 sites (out of 33) using renewable electricity, which covers 66% of our total consumption (kWh)	Read more: See page 33	
		Carbon intensity Scope 1 and 2 – location-based emissions (tCO $_2$ e/FUMA £bn) $^2$ : 10.6 (down from 12.9 in 2023)		

<sup>1.</sup> Data excludes IW&I

<sup>2.</sup> Data covers all sites occupied by Rathbones Group in 2024

## OVERSIGHT OF RESPONSIBLE BUSINESS

**OUR RESPONSIBLE** 

**BUSINESS APPROACH** 

Across our expanded Group, each employee has a role to play in delivering our responsible business priorities. By working together we operate in an effective and accountable manner. We will review and update our approach to include the integration of IW&I colleagues and structures.

#### **BOARD AND EXECUTIVE OVERSIGHT**

The Board sets a constructive tone in support of our Group Executive Committee (GEC) and senior management team, which encourages appropriate behaviours across the Group. The Board also provides oversight of performance against our responsible business framework and associated remuneration.

#### **BOARD OF DIRECTORS**

(f) View more information on our website

#### **GROUP EXECUTIVE COMMITTEE**

(B) View more information on our website

#### RESPONSIBLE BUSINESS COMMITTEE

In 2020 Rathbones set up the Responsible Business Committee (RBC) to support Board and GEC oversight of the responsible business programme. Co-chaired by the Chief Executive and the Managing Director of our investment business, with representatives from across the group, this committee meets at least quarterly to discuss current and emerging responsible business matters, including the firm's approach to net zero and future reporting requirements. The key activities of the committee are as follows:

- identify emerging risks and opportunities related to the social and environmental impacts of the firm
- provide oversight of the firm's responsible business strategy and reporting
- oversee the firm's policies and progress across our framework.

#### Committee members:

- Group Chief Executive Officer
- Managing Director of our investment business
- Chief Risk Officer
- Company Secretary
- Business unit representatives
- Workstream leads.



In 2024, our Responsible Business Committee discussed matters ranging from the review and update of our responsible business framework, to our inclusion activities and the re-basing of our net zero near-term targets. It received updates on initiatives including:

- our approach to managing human rights risks
- our stewardship activities, covering engagement and voting
- our DE&I programme, including the activity of our inclusion networks
- continued engagement with suppliers and our modern slavery statement
- the roll-out of our community hubs and identification of their partners
- an update on our environmental footprint and the combination of office locations.

#### **COMMITTEE STRUCTURE**

Further support for the responsible business framework is given by others committees and governance bodies across the group. These include the Group Responsible Investment Committee, who oversee the application of our Responsible Investment Policy and the Rathbones Group Foundation which supports the community investment activities of the Group.

For more information on the committee structure that supports delivery of our climate ambition see our Climate Report page 8.

## **OUR RESPONSIBLE BUSINESS APPROACH**

#### **RISK MANAGEMENT**

Everyone in the Group has a role to play in reducing risks, from the Board and executive team to all employees. If the entire workforce can operate with this accountability, this enhances the effectiveness of risk management across the Group.

We have a well-established approach to managing and reducing risks, which has continued to evolve as the group responds to external developments. Our risk governance, processes and infrastructure are designed to ensure that appropriate risk management is applied to existing and emerging challenges and to our day-to-day activities and strategic objectives. Our approach to governance means that we frequently evaluate our process and response, through the regular tracking of people metrics and trends and employee engagement surveys.

#### **POLICIES AND PROCEDURES**

As a responsible business we regularly review the implementation and monitoring of our policies and procedures and ensure effective due diligence. This includes our Code of Conduct, Equal Opportunities Policy, Health and Safety Policy, Compliance Framework Policy and Anti-bribery and Corruption Policy.

Our alignment to, and support for the United Nations Global Compact, the International Labour Organization's standards and the Universal Declaration of Human Rights, shows our commitment to operating in a way that protects and promotes human rights. This commitment extends to our direct employees, suppliers and business partners and the investments we make on behalf of our clients.

Training on our Code of Conduct and whistleblowing process occurs each year, and cyber security awareness sessions are delivered to employees. For a full overview of our relevant policies and due diligence processes, please see the Non-Financial and Sustainability Information Statement on pages 89-90 in our 2024 Annual Report and Accounts.

#### **DELIVERING AND TRACKING PROGRESS**

Our commitment to operating in a way that creates long-term value for our stakeholders includes putting in place strong governance foundations to hold us to account. Alongside clear accountability we set targets, track and monitor our progress and report on our commitments in a transparent and timely manner. Having updated our framework in 2024, we will review and update the remit and membership of the Responsible Business Committee to ensure it is fit for purpose in 2025.

#### REPORTING

We are committed to being transparent about our approach to responsible business. We report on progress against our responsible business ambitions and key initiatives in alignment with, or to meet requirements of, external frameworks such as the CDP (Carbon Disclosure Project) or the FTSE Women Leaders Review. We make our disclosures public to support transparent communication. Our reports are available on the reports and disclosures page of our website and through the specific initiative websites.

#### REMUNERATION

In 2024, we continued to include environmental, social and governance (ESG) measures in the variable pay component for our GEC members, including our Group Chief Executive Officer and Group Chief Financial Officer. The measures include targets relating to our net zero commitment, ongoing training of our client-facing teams and maintaining an engaged workforce. More information can be found on page 120 of our 2024 Annual Report and Accounts.





Applying an active and thoughtful approach to client service, selling practices and responsible investment

Overview and progress in 2024

- Client service, experience and product offering
- Responsible marketing
- Responsible investment and stewardship
- 13 Spotlights: Impact in action



# OUR CLIENTS OVERVIEW AND PROGRESS IN 2024

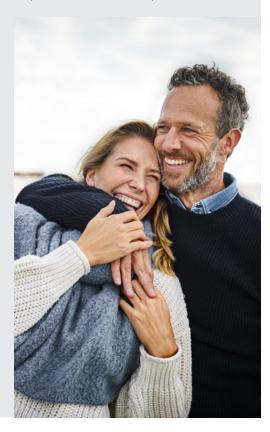
## CLIENT SERVICE, EXPERIENCE AND PRODUCT OFFERING

Clients are at the heart of our strategy and their interests are a key consideration in everything that we do. Our commitment to delivering valuable propositions, exceptional service, and best practices underpins both our success and our responsibility as a trusted partner. We strive to provide clients with the best possible service, driven by our direct fiduciary duty to put their needs first in every decision and process, and build deep, long-lasting relationships with our clients.

In 2024, we expanded our Client Office function which oversees our service and product offering to our clients. From enhanced insights and improved digital services, to a broader regional presence and increased scale and stability, our Client Office function is dedicated to supporting our client relationships and servicing our clients' needs.

We develop a clear view of clients' evolving needs, preferences, and behaviours by focusing our resources on key client segments. Clients are segmented not just by wealth but also by lifestage (e.g. young professionals, retirees, family offices) to deliver relevant, personalised services. Throughout 2024 we have continued to focus on implementing a client segmentation model to tailor the client experience, product offerings, and distribution channels for each segment.

We are also 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 issues. This can include both exclusions and broader responsible investment requirements.



- Conducted an extensive study with over 3,000 participants and created a multidimension market segmentation, defined by lifestage, attitude and source of wealth. This segmentation allows us to more effectively understand the market opportunity and guide which segments we want to participate in and how we target and acquire them through marketing communication. It also shapes how we design and develop products and services that are aligned to our clients' needs and equip our colleagues by better understanding how to service these clients and develop deeper relationships
- Continued the development of our digital offering for our clients. This included a client take up of over 60% for MyRathbones, offering a consistent experience across the portal and mobile app, improving clients' access to our services

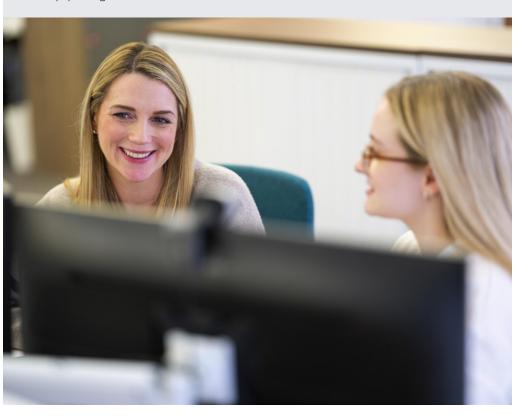
- We engaged with our clients through a variety of different methods including:
- focus groups and targeted surveys
- Alpha FMC 2024 client experience benchmark survey (to find out more, see our spotlight on page 13)
- regular meetings between investment managers, financial planners and clients
- user experience testing of our digital solutions and propositions
- virtual and in-person conferences held for private clients, intermediaries and IFAs
- regular CEO letters and research notes issued to clients to update them on the firm, client migration and our investment proposition.

**OVERVIEW AND PROGRESS IN 2024** 

## **RESPONSIBLE MARKETING**

We uphold the highest standards for our marketing, focusing on responsible selling practices and personalised financial advice. Our approach adheres to FCA guidelines and integrates Consumer Duty principles to ensure fair and transparent client outcomes and mirrors our long-established culture of always putting our clients first.

We continuously improve to meet regulatory standards, focusing on fair treatment. Our integration with IW&I strengthens this effort and in 2024, we provided training on areas that included anti-greenwashing and supporting vulnerable clients.



- Across the Rathbones Group good progress has been made over the past year embedding Consumer Duty, with a strong focus on ownership and delivery. In 2024, we introduced the inaugural Consumer Duty Board report requirement
- The integration with IW&I has also provided further opportunities to consider future client propositions, bringing a Consumer Duty viewpoint from the outset. From a culture perspective, Consumer Duty language is regularly used throughout the business on a day-to-day basis. Consumer Duty is a topic that requires continuous action and improvement. We expect further areas for improvement to be identified in the coming year as we gain further experience in embedding the Consumer Duty principles
- Continued to evolve our approach to reflect our clients' wide variety of needs and goals.
   By combining client insights with market knowledge, data and our strong investment capabilities, we designed bespoke products and solutions and embedded the voice of our clients in our decisions at each stage of the client journey through primary and secondary research and brand health tracking

- Continued to assess our clients' unique circumstances, needs, and values before recommending products, and avoided upselling services or products that didn't align with clients' best interests
- Rolled out programmes focused on understanding climate risk and guarding against greenwashing
- 99.8% of in-scope employees completed anti-greenwashing training
- 98.7% of our Investment Manager population completed responsible marketing training, including our vulnerable client module
- Established an RI communications coordination group to review and update content and approaches to support both our Green Claims Code review process and Consumer Duty considerations.

**OVERVIEW AND PROGRESS IN 2024** 

## RESPONSIBLE INVESTMENT AND STEWARDSHIP

Responsible investment and stewardship is key to our thoughtful and active approach to investment. We focus on four key pillars: ESG integration, engagement, voting, and transparency, and have a fiduciary responsibility to our clients to invest for their long-term goals. With this focus 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 are committed to identifying high-quality, ESG (Environmental, Social, and Governance) aligned investments that deliver on clients' long-term objectives while contributing to broader societal benefits. With a team of financial, ESG integration, and stewardship analysts, supported by third-party data sources, we assess a wide range of ESG factors.

We also recognise our role as an investor in mitigating climate change, nature loss and biodiversity degradation through our investment decisions. Engagement is a priority and we escalate or adjust holdings if companies present persistent ESG risks. In 2024 to further accelerate our progress in this area, we established a Climate and Nature Working Group comprising experts from across the business. This seeks to consolidate our knowledge and our efforts to address climate and nature-related risks and opportunities.

More information about our responsible investment activities can be found in our Responsible Investment Report.



- Updated our Responsible Investment (RI) Policy and refined our investment process to include a sustainability alignment lens in our investment analysis
- Focused our responsible investment approach on four key themes: nature and biodiversity, climate change, human rights and executive remuneration
- Published our net zero stewardship and engagement strategy to further explain our net zero aligned activities
- Developed our first set of sectoral ESG standards, to help produce a more consistent approach to the assessment and management of ESG risks in specific sectors
- Further developed our approach to managing exposure to thermal coal assets in our portfolios, developing a new set of guidance for our approach to the providers of finance to industries covered by our group exclusions
- Undertook 743<sup>1</sup> engagements (2023: 752) on 53 topics ranging from anti-microbial resistance to succession planning. Compared with 2023, we ramped up the number of engagements on modern slavery
- Continued our work on 'Votes Against Slavery', a coalition of investors set up by Rathbones to encourage UK companies to comply with the country's landmark 2015 Modern Slavery Act. For more detail, please see our Votes Against Slavery report

- Undertook a review of our voting process as part of the integration process with IW&I. Our aim is to maximise the percentage of holdings we vote on whilst ensuring our votes are impactful. We agreed an approach for synchronising voting activities, utilising ISS for voting, albeit with different policies. Voting execution will be streamlined in 2025
- Voted on 11,615<sup>1</sup> resolutions at 870 company meetings1 to drive change (2023: 11,966 resolutions). IW&I also voted on 5,930 items at 449 company meetings
- When voting at the meetings of companies in 2024, we supported management more than 90% of the time
- -655 votes against management (IW&I had 205 votes against management)
- 21 of our 36-strong research team earned the more advanced CFA Certificate in ESG Investing.

## SPOTLIGHTS: IMPACT IN ACTION



## Client feedback loops

In 2024, Rathbones partnered with Alpha FMC to conduct an extensive client experience survey alongside seven peers. The research provided a deep insight into both industry performance and our own performance across a range of client areas including overall satisfaction, IM satisfaction, financial planning, digital, communication and consumer duty.

The insights gathered from the research showed that we are performing well across key areas and have improved (e.g. our Net Promoter Score – the score related to likelihood of clients to recommend Rathbones – rose 13 points from 43% in 2022 to 56% in 2024), placing second against our peers.

79% of clients were satisfied with the Rathbones brand and 96% of clients agreed that "Rathbones provides a service which meets their individual needs and goals". The results of the survey have informed the new Client team's work to identify areas where we can continue to improve our service to clients, including communication, engagement and value for money for products and services.



I can trust Rathbones. I know they will do their best to invest my money wisely. They always answer my questions; they do not make me feel silly if I haven't fully understood something and they patiently explain it again. I feel they care about me, as well as my investments.

## Engaging with nature

Nature is one of the priority topics for engagement, both for Rathbones Group's stewardship team and – for more than five years – at Greenbank. As well as companies, we engage with policymakers and the organisations that set influential standards for how businesses should protect nature and biodiversity. For example, Greenbank was part of the finance delegation at COP15 and has been a longstanding member of the Finance for Biodiversity (FfB) initiative.

Greenbank contributed to the second edition of the FfB's Nature Target Setting Framework for Asset Owners and Managers in 2024 and also participated in FfB-led engagement with UK parliamentarians ahead of Cop16 to discuss the UK government's progress towards an effective National

Biodiversity Action Plan, the country's strategy for protecting and restoring its biodiversity. The target framework sought to create a shared understanding and common language for investors. Earlier this year, Greenbank set its first set of nature targets aligned to the framework. This will enable Greenbank to better understand how our portfolios and investee companies interact with nature and then take steps to reduce and mitigate any nature-related risks via our engagement and investment decisions.



Nature-related risks such as water scarcity, biodiversity loss and deforestation can have significant financial implications for companies and investment portfolios as well as negative impacts on wider society.



SPOTLIGHTS: IMPACT IN ACTION



## World Bank Amazon Reforestation-linked Bond

As part of our commitment to provide choice to our clients that can deliver both strong commercial returns and positive environmental impact, a highlight for 2024 has been our work with the International Bank for Reconstruction and Development's (IBRD), part of the World Bank Group, fifth outcome bond.

The bond, issued in August 2024, is a nine-year, \$225 million investment designed to support reforestation efforts in Brazil's Amazon rainforest. It uniquely links investor returns to the success of these environmental initiatives. A portion of the bond's proceeds, approximately \$36 million, is allocated to Mombak, a Brazilian company specialising in large-scale reforestation projects. Mombak collaborates with local landowners to restore deforested and degraded lands by planting native tree species.

This issuance, the largest of its kind to date, exemplifies innovation in sustainable finance, mobilising capital for critical environmental goals while offering investors robust credit protection and yield enhancement opportunities. The bond is directly linked to reforestation activities in the Amazon, as investors have the unique opportunity to support specific, high-impact projects while enjoying a sustainable investment label.

Rathbones played a significant role through investments and engagement related to three of our funds that participated in the deal, contributing a combined total of \$22.4 million. These funds were the Rathbone Ethical Bond Fund, Rathbone Ethical Bond Fund SICAV, and Rathbone Greenbank Global Sustainable Bond Fund.

Investors in the bond receive a guaranteed annual return of about 1.745% (contingent on IBRD credit risk), with the potential for higher returns – up to 4.362% – based on the performance of the reforestation projects.

The variable component of the return is linked to the generation of Carbon Removal Units (CRUs), which represent the removal of one tonne of carbon dioxide equivalent per unit. These CRUs are verified by accredited third parties and monetised through agreements with companies like Microsoft, which has committed to purchasing the carbon credits generated by Mombak's projects.

Prior to the bond's issuance, the Rathbones Fixed Income team and Greenbank's Ethical, Sustainable, and Impact (ESI) team engaged extensively with key stakeholders. This included meetings with HSBC, who structured the deal, as well as the World Bank and Mombak, where Rathbones offered insights to refine the structure of the bond, ensuring it met both investor needs and sustainability goals. The teams also conducted a thorough review of the bond's framework and reforestation project, ensuring alignment with the investment objectives and ethical standards of Rathbones' fund range. We remain engaged with the World Bank on future project ideas and other environmental outcome bonds.

For Rathbones' clients, this investment demonstrates the firm's ability to provide products that offer both measurable environmental impact and potentially attractive financial returns.



As demonstrated by the historic level of participation in today's transaction, private investors are eager to connect their financial return to positive development outcomes in the Amazon region.

Jorge Familiar, vice president and treasurer at the World Bank

# Vulnerable client training and consumer duty

At Rathbones, our commitment to the Consumer Duty principle is reflected in our Vulnerable Client Policy, which focuses on the end-to-end client journey and ensures the fair treatment of clients. This policy establishes effective systems and controls, continuously monitored to uphold the highest standards of client care. Central to this effort is the Vulnerable Client Panel, a sub-committee of the Rathbones Client Committee formed in 2021. The Panel offers guidance and recommendations on supporting vulnerable clients in a fair, balanced, and empathetic manner. Meeting on an ad-hoc basis, the Panel reports directly to the Suitability Policy Group, ensuring its work aligns with broader regulatory and business objectives.

All new colleagues undergo vulnerable client training via Skillcast, complemented by annual refresher courses. In addition, role-playing exercises focused on sensitive scenarios, such as bereavement, enhance individual competence and empathy in client interactions. Fair Value Assessments have been conducted across all Rathbones services, with each Proposition Summary addressing specific considerations for vulnerable clients. These initiatives underscore our dedication to safeguarding the wellbeing of all our clients while fostering trust and fairness at every stage of their journey.

## Our investment target

The Responsible Investment Committee oversees our Responsible Investment Policy and progress towards the investment aspects of our Science Based Targets initiative (SBTi) aligned near-term target. In 2024, we rebased our exposure to include the impact of combining with IW&I and reset our near-term targets. Our updated near-term target commits 55% of investments in our listed equity and bonds portfolio, by invested value, committing to or setting SBTi-validated targets by 2030. 77% by 2035 and 100% by 2040.

In addition to our Group targets, Greenbank Investments, Rathbones' specialist ethical. sustainable and impact investment team, plans to reach net zero emissions by 2040 (including operations, supply chain and investments). Greenbank followed the Net Zero Investment Framework (NZIF) to set targets covering the investments it manages.

#### PROGRESS AGAINST OUR INVESTMENT TARGET

In 2024, 24% of our funds under management (FUMA) had set or committed to set SBTi aligned targets. This is an increase from 23% in 2023.

Progress towards our target is supported by the application of our approach to investing in fossil fuels. To find out more about our net zero targets, please see our Annual Report and Accounts and our Climate Report.

( Annual Report and Accounts

(B) Climate Report

## **FINANCE CARBON EMISSIONS**

(tCO₂e/\$m invested)

**33.5** 

2023.394

## **TOTAL FINANCED CARBON EMISSIONS**

(tCO<sub>2</sub>e/\$m invested)

4,670,716

2023 5 249 634

## WEIGHTED AVERAGE CARBON **INTENSITY (WACI)**

(tCO<sub>2</sub>e/\$m sales)

93.6

2023:104.8

## **FOSSIL FUEL BASED REVENUE EXPOSURE**

1.7%

2023-21%

#### **GREEN REVENUE EXPOSURE**

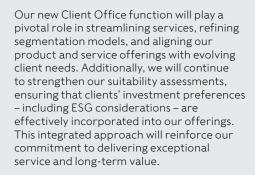
3.7%

2023.31%

For more information on our approach to managing climate risk see our Climate Report

## Looking forward

During 2025 we will complete the IW&I client migration process and continue to harmonise the way we support our clients to create a seamless and cohesive experience.



We will continue to build on the work of our Climate and Nature Working Group to consolidate our efforts in addressing environmental risks and opportunities connected to climate change, nature loss, and biodiversity. Engagement will remain a priority, and we will continue to escalate or adjust holdings if companies present persistent ESG risks. Through these actions, we aim to deliver strong financial outcomes for our clients while contributing positively to society.



We will further embed responsible marketing practices into our operations, ensuring that all communications align with FCA guidelines and Consumer Duty principles. In 2025. we will enhance training programmes to address emerging regulatory requirements. particularly in areas such as anti-greenwashing and client vulnerability support. By continuing to uphold the highest standards of transparency and fairness, we will reinforce our commitment to ethical business practices.

2025 will be a year focused on delivering for our clients by continuing to improve our services and processes in way that will help create trusted client relationships for the long-term.

## Ensuring our people are safe, supported and treated fairly

Overview and progress in 2024

- Culture and values
- Diversity and inclusion (D&I)
- Employee learning and development, wellbeing and benefits
- 20 Spotlights: Impact in action



INTRODUCTION

**OUR CLIENTS** 

# OUR COLLEAGUES OVERVIEW AND PROGRESS IN 2024

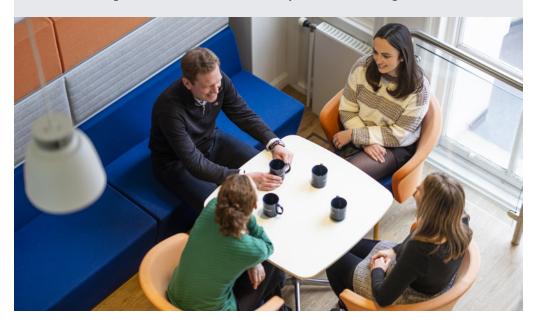
## **CULTURE AND VALUES**

As we move to the final phase of our integration with IW&I, we're working to align our corporate values and have undertaken a review of our purpose and culture.

A positive culture is the heartbeat of our organisation, driving our success and impact. It underpins our business model, purpose, strategy and values, and leads to better performance and positive outcomes for clients, shareholders, and communities. It defines how we support and connect with each other, and all our stakeholders, and shapes our daily interactions, collaboration, and the care we give and receive.

The Board fully understands and accepts its role in setting the 'tone from the top', and in ensuring our culture and values are lived across the organisation day-to-day.

Our 2022–2024 People Strategy focused on providing career paths and development opportunities, building leadership and change management skills, and embedding our values and commitment to inclusion. We are currently finalising our updated People Strategy, which will align what our people want and the business needs, in the context of our refreshed corporate objectives and the integration with IW&I.



- Started the process of refreshing our purpose and values in 2024 as an integrated business. TruthWorks spent four months immersing themselves in the cultures of Rathbones and IW&I. seeking the truth about each culture. and focusing forward to the future. They undertook internal stakeholder engagement through workshops, focus groups, surveys and Group Executive Committee and management interviews to help understand what was important to our colleagues and how we can deliver our business strategy moving forward. We heard that our cultural strengths are in goal setting, peer relationships and management support, and continue to focus on protecting and utilising them
- Our employee engagement survey had a 72% response rate (76% in 2023) and an employee Net Promoter Score (eNPS) of 14 (37 in 2023). Our overall engagement score was lower in 2024 than the previous year. 2024 was the first year of both IW&I and Rathbones colleagues contributing to the same survey and captured feelings from across the business associated with progressing through the integration. The decrease in overall engagement can be understood to have been driven by: increased workloads required to meet integration timelines; changes to our organisational structures across the organisation; and the potential of reduced job security for some of our people as we undertook consultation processes

- The Board gathered feedback from employees across the Group via opinion surveys, townhalls, and through office visits as part of our workforce engagement programme. This insight helped inform decision-making as we delivered the integration process in 2024
- Continued to measure our eight drivers of our culture and performance, with progress against associated indicators being reported to the board twice a year. Our values are integrated into the employee appraisal process – at both our mid-year and full-year appraisals, employees are required to confirm they are in alignment with these. Our culture dashboard will be reviewed and updated in 2025
- Encouraged employees to participate in schemes to promote share ownership, allowing them to connect more closely to our long-term success. These include the group's Save As You Earn (SAYE) and Share Incentive Plan (SIP) schemes, which provide cost-effective opportunities for employees to acquire shares in the company.

**OVERVIEW AND PROGRESS IN 2024** 

## **DIVERSITY AND INCLUSION**

Rathbones is committed to becoming a more inclusive business which, in turn, will support us in delivering value to our clients.

We value the diverse experiences and perspectives of our colleagues, recognising that inclusivity drives better decision-making and fosters innovation.

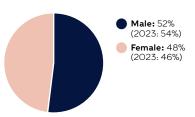
With over 3,600 employees across 23 offices, we are committed to embedding D&I into every aspect of our operations to support our strategic ambitions and our purpose of investing for everyone's future. To read more on our approach to D&I and our gender pay gap, please see our <u>Annual Report</u> and our <u>Gender</u> Pay Gap Report.

In 2024, we brought together our colleagues from across both Rathbones and IW&I in our eight Inclusion Networks. The networks continue to be colleague led and enable colleagues from underrepresented groups to connect, share like mindedness and create positive change. They also help us to improve on the under-representation of diverse colleagues to better reflect the communities in which we work and live.

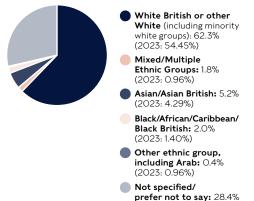
## **PROGRESS IN 2024**

- Relaunched the combined Inclusion
   Networks in February 2024. We now have
   eight networks: Abilities Count, Armed Forces
   Network, Gender Balance, Generations
   Network, Menopause Matters@Rathbones,
   Multicultural Network, Pride and the Social
   Mobility Network. To find out more, see the
   spotlight on page 20
- Worked towards gender equality in the workplace. By the end of 2024 48% of our total workforce was female (up from 46% in 2023) and four female directors sat on the Board. We have reduced our mean gender pay gap to 31.2%, down from 32.3% in 2023. These changes reflect the impact of our ongoing efforts to create a more balanced Rathbones and we're focusing on our progress. Although our progress is slower than we would like, we are on the right track and remain committed to our goal of gender equality
- Continued to be signatories to the Women in Finance Charter and as part of this, we committed to women holding 35% of senior management roles by September 2027. As of September 2024 we reached 30.4% female representation in senior management compared to 15.6% female representation in 2018 when we signed up to this commitment
- Improved our data measurement, tracking and sharing across the group. Collected over 60% of Rathbones employee demographic data across eight characteristics, and tracked data against targets. We launched our D&I dashboards for a number of business areas, enabling us to share People data with the senior leadership teams so they can consider the data in their decision-making. The dashboards are continually being evolved, and we are working to incorporate additional layers of data to support leadership teams to identify successes and areas of development.

### **GENDER DIVERSITY AT 31 DECEMBER 2024**



#### **ETHNIC DIVERSITY AT 31 DECEMBER 2024**



(2023: 36.94%)

**OVERVIEW AND PROGRESS IN 2024** 

## **EMPLOYEE LEARNING AND DEVELOPMENT, WELLBEING AND BENEFITS**

Based around a common set of corporate values and a commitment to D&I, we are also focused on leveraging the talent in our business, as we develop more career paths, build leadership skills and manage succession.

We are dedicated to fostering an environment where employees can develop the skills, knowledge, and behaviours necessary for their success and our success.

Our commitment extends to comprehensive learning and development initiatives, as well as mental and physical wellbeing programmes, ensuring our people thrive both professionally and personally. The wellbeing of our colleagues is a priority, which has been particularly important as we have gone through our integration with IW&I. For more details see page 21.



- Transformed our Learning and Development team into the Talent, Performance and Learning team to enhance how we can deliver on this commitment
- Our 2024, training spend per employee was £499 (2023: £529)
- The Front Office Learning and Development Team delivered a three week Client Onboarding Programme to eight cohorts of IW&I colleagues. 541 were invited, 527 have completed the course and 14 are currently listening to the recorded sessions. Of the 527, 284 are certified and 243 are non-certified
- -1,389 colleagues have been trained as part of the Suitability Induction Programme, across 115 classes
- Our L&D team worked in collaboration with PIMFA to support their Early Talent initiatives, including their 'Make it' Campaign by hosting Graduate Academy Insight sessions

- Continued to offer a range of benefits and services to our colleagues including:
- access to our employee assistance programme (EAP), which provides a free and confidential phone and online advice service
- access to a virtual GP, physiotherapy, second medical opinions, personal training, nutritional consultations, cancer assist services and more through the Help@Hand and Smart Health apps
- annual medicals, including mammograms for women over 40, prostate cancer screening for males over 45, bowel cancer screening for over 45s
- flu jab vouchers
- Fertifa app, giving colleagues access to information about fertility and family forming, menopause, women's health, men's health and neurodiversity support
- awareness sessions on topics including men's health, mental health, breast health
- menopause training for colleagues and line managers
- Income Protection
- Took part in Movember to raise funds for and awareness of men's health issues.

## SPOTLIGHTS: IMPACT IN ACTION



## D&I - Networks

We recognise that each individual follows a unique path in life. Our backgrounds, the languages we speak, the way we think, and whom we love all shape our identities. Here, difference is valued. It helps us make better decisions, see new opportunities, and come up with better ways to serve our clients. By embracing our different experiences and perspectives we can create and protect an environment that is inclusive and equal for everyone.

An early task of combining teams happened in the Inclusion Networks this year, with a relaunch of the combined networks taking place in February 2024. We now have eight networks (Abilities Count, Armed Forces Network, Gender Balance, Generations Network, Menopause Matters@Rathbones, Multicultural Network, Pride and the Social Mobility Network).

Our growing inclusion network communities are built on shared experiences, intersectionality and allyship. They are culture carriers for our organisation, offering employees and allies the opportunity to enhance and shape the inclusive culture we aspire to. The networks champion the benefits of diversity and inclusion at Rathbones, whilst sharing the lived experiences and nuances of our diverse colleagues through speaker events and sharing colleague stories.

There are over 600 colleagues across the group enrolled as members of one or more of the Inclusion Networks. The network co-leads meet monthly to share and collaborate together. To support the colleagues who volunteer to co-lead our networks we have invested in their development as leaders. hosting two on-sites covering themes such as leading volunteer groups, how to plan and structure networks and how to lead successful networks. Throughout 2024 the networks have taken every opportunity to present to internal leadership teams, including the IW&I ManCo to engage and update leaders on the challenges diverse colleagues experience and the impact the networks are creating.

We also hosted Network Roadshows, where our Inclusion Networks visited a number of our offices (Bristol, Edinburgh, Liverpool and London) to share information, encourage more colleagues to join the networks, providing support and host events (which will continue in 2025). Finally National Inclusion Week in September was another pivotal week for colleagues as we hosted keynote speakers including Professor John Amaechi OBE and Inclusive Employers.

In 2024, the inclusion networks focused on four main pillars:

#### **DIVERSITY**

- Collaborate with the People Function and Resourcing Team to attract talent from underrepresented communities
- Support network members in their personal and professional development

- Provide opportunities for career growth, such as mentoring programmes
- Facilitate upskilling and learning initiatives to promote self-development.

#### **INCLUSION**

- Help Rathbones to build a diverse and inclusive workplace
- Develop a clear network vision and programme of activity to inspire members and reinforce the value of inclusion
- Offer insights into the lived experiences and perspectives of diverse colleagues at Rathbones
- Partner with other inclusion networks to address intersectionality.

#### BELONGING

- Connect and engage with diverse colleagues to enhance their sense of belonging
- Educate and celebrate cultural events to promote awareness and appreciation.

#### ALLYSHIP

- Build a set of guiding principles for allyship
- Raise awareness and educate colleagues on how to be effective allies, particularly in supporting underrepresented groups.

In 2024, we made progress across all pillars, and ensured that each network is aligned and sponsored by members of the GEC, with the networks continuing to be designed by colleagues, for colleagues. Through 2025 work will continue to embed an ever more inclusive business. We are also developing our ability to be much more data-led in our approach, being clear about accountability, targeted in tracking progress and better at understanding the impact inclusion has on our organisation.

INTRODUCTION

SPOTLIGHTS: IMPACT IN ACTION



**OUR CLIENTS** 

# IW&I integration and training

Integrating two well-established organisations brings with it a lot of change including new team structures and new processes. In order to make the integration process with IW&I as smooth as possible, we established 100 Integration Engagement Champions across the business. These representatives help cascade key integration updates, direct colleagues to relevant information, and ensure feedback is heard.

In addition to this, a buddy system has been established to facilitate collaboration. Each IW&I client-facing colleague (Investment Manager or Client Services Executive) is paired with a Rathbones counterpart in their office, who provides a source of day-to-day support. Additionally, process champions – Rathbones experts in client onboarding and servicing – are available for technical queries.

In 2024, we created an Integration Training Hub that provides resources such as training videos, programme brochures, and a 'Transition Guidance' document detailing operational differences between IW&I and Rathbones. The learning and development team also delivered a three-week Client Onboarding Programme to 527 IW&I colleagues, covering client suitability, anti-money laundering information, and costs. These live sessions were supported by eLearning modules including data protection, complaints handling, Rathbones propositions, and the MyRathbones app.

To support managers, the People Function developed toolkits on Leading Through Change and Staying Resilient, offering practical strategies for navigating transitions. These toolkits provide flexible guidance, discussion prompts, and resilience-building techniques. Resilience workshops are also available for all colleagues and managers.

This comprehensive approach has helped encourage a smooth integration, empowering colleagues with knowledge, resources, and peer support.

## Looking forward

In 2025 we will share our new People strategy...

We are currently in the process of finalising our updated People Strategy, which will align what our people want and the business needs, in the context of our integration with IW&I. This strategy will inform updates to our inclusion plan and will include a range of training tools which are currently under development, such as our Inclusion 101 training, covering themes including bias and allyship. This training will be available to all colleagues via the L&D portal on SuccessFactors in 2025 to provide a baseline understanding of D&I and will provide a baseline understanding of D&I and our values towards inclusion.

The Talent, Performance & Learning team will also continue to offer development sessions in 2025 to equip people with the skills and know-how for conducting effective career development conversations. Career Development Toolkits will also be available to support all colleagues via SharePoint. The new Success Factors functionality coming in 2025 will help colleagues create their development plans underpinned by objectives.

In 2025, we will continue to be more data driven. Working closely with the People Analytics Team, we are looking at how we can develop more D&I reporting that focuses on the employee lifecycle. We are also looking to provide a tracking tool to report on our progress towards the Women in Finance Charter public commitment and target, which should be implemented in early 2025. Our D&I Dashboard will continue to evolve and be shared more widely with department heads to support greater accountability for D&I.

There is more work to be done to fully ensure our recruitment process is fair and equitable and to enhance the training and guidance given to hiring managers. When our new HR platform (SAP SuccessFactors) is in place, we will conduct a full review of our resourcing approach, and provide training and guidance for hiring managers to drive inclusion through recruitment.

Following the work on purpose and values in 2024, we will be sharing the outcome and our updated approach during 2025.



Ensuring we support positive change in our industry and our communities

Overview and progress in 2024

23 Community investment

24 Financial inclusion and education

25 Entrepreneurs

26 Policy engagement

27 Spotlights: Impact in action



INTRODUCTION

# OUR COMMUNITIES OVERVIEW AND PROGRESS IN 2024

## **COMMUNITY INVESTMENT**

Through our business we aim to add value not only to our clients but also to the communities in which we operate. We recognise the role we can play in helping create successful and thriving communities of which we are part.

As one of the UK's largest wealth managers, we understand there is a growing expectation on our role in society. As a result, we work closely with regulators, partners, suppliers and communities to understand their aims and ambitions, working to align our approach to best practice across our programmes.

We deliver support through the Rathbones Group Foundation, Give As You Earn (GAYE) and our matching schemes. Alongside this, all colleagues are offered three volunteering days per year. Our colleagues also support through Giving-In-Kind, by skills sharing or hosting charity partner events.

Community investment funding from the Rathbones Group Foundation is focused on equality of opportunity for children and young people (up to the age of 25) across three key areas:

- Education
- Entrepreneurs
- Environment.

Following the combination with IW&I we implemented changes to the structure of our support and giving by creating five community investment hubs that include all our offices'. This new structure aims to foster learning and collaboration among colleagues from neighbouring offices. To find out more, please see the spotlight on page 27.

## **PROGRESS IN 2024**

- Invested £699,793 (2023: £589,172) in community projects. This represents 0.7% of our pre-tax profit (1.38% in 2023).
- Although our overall financial contribution has increased, it represents a smaller percentage of pre-tax profit due to a rise in our total pre-tax earnings in 2024
- Rathbones Group donated £331,000 through regular employee giving through our Give As You Earn (GAYE)
- -£215,000 of the GAYE donations was matched
- £34,500 was given in support of employee fundraising through our match funding scheme
- Supported 78 charities including London Youth, Fare Scotland, Coach Core and Justice and Care

- Continued support for Young Enterprise
   (YE) and welcomed MyBnk as a new partner,
   all aligned with the work we carry out through
   our financial awareness programme
- Supported the Disasters Emergency Commission (DEC) Middle East Humanitarian Appeal
- Continued to offer our colleagues three paid volunteering days per year, it was agreed that this would be rolled out across IW&I from April 2025
- Pleased to see colleagues from across all our offices take the opportunity of team volunteering days.

#### **TOTAL AMOUNT DONATED<sup>2</sup>**

24	£699,793
23	£589,000
22	£795,000

1. The hubs are: North, South, Scotland and Northern Ireland, London and Cambridge, and Channel Islands

2. 2022 and 2023 data excludes IW&I

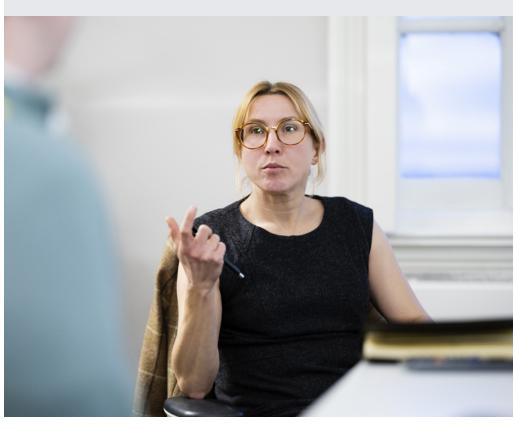
**OVERVIEW AND PROGRESS IN 2024** 

## FINANCIAL INCLUSION AND EDUCATION

We recognise the importance of financial awareness, inclusion and education in society and our role in supporting this.

Financial exclusion often reinforces economic disparities so by supporting initiatives that improve access to financial

knowledge and services through our partners and programmes, we help contribute to a more equitable, informed and financially secure society. We achieve this through our financial awareness courses, and our partnerships with Young Enterprise and MyBnk.



## **PROGRESS IN 2024**

- Continued to run Rathbones financial awareness sessions.
- Continued our support for Young Enterprise (YE) in 2024 to further support the work of the Rathbones financial awareness programme
- Our Group Chief Executive Officer attended an event at Downing Street, with a small group of influential senior stakeholders, to discuss the economic business case for the UK to advance the use of applied learning to increase young people's preparedness for work and make a significant contribution to productivity and social mobility
- In 2024, MyBnk joined Young Enterprise (YE) as a national partners supporting delivery of programmes to empower children and young adults with vital financial skills
- We are members of 'Future Assets', a Scottish organisation working to encourage girls in high school to consider the world of investments as a career choice
- Worked with the charity 'GAIN Girls Are Investors', to help young women and young non-binary people in England to begin their investment management careers.

**755** 

ATTENDEES ON NINE FINANCIAL AWARENESS COURSES IN 2024

13,000+

PEOPLE REACHED BY THESE SESSIONS OVER THE PAST 12 YEARS

68

ATTENDEES JOINED THE FEMALE-ONLY FINANCIAL AWARENESS COURSES

376

ATTENDEES JOINED THE 16 TO 25-YEAR-OLD FINANCIAL AWARENESS COURSES

311

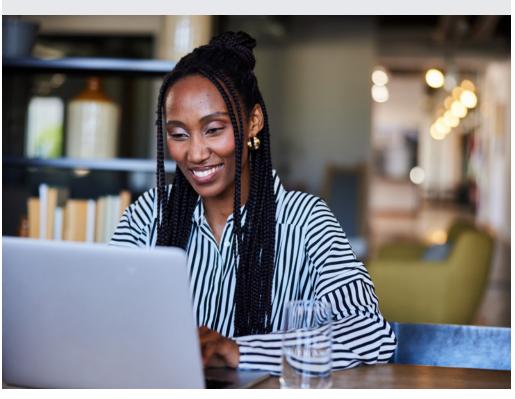
ATTENDEES JOINED
THE ADULT FINANCIAL
AWARENESS COURSES

**OVERVIEW AND PROGRESS IN 2024** 

## **ENTREPRENEURS**

We are committed to supporting founders and business owners through the Rathbones Inspire programme. This programme brings together a community of founders from different sectors and geographies across the UK, who are growing their businesses.

We are focused on supporting female founders and host our annual female founder breakfast which provides an opportunity for them to engage with talented peers, gain invaluable insights, access subject matter experts, and build new connections to further strengthen their businesses. To find out more, please see the spotlight on page 28.



- Reached over 300 entrepreneurs and business owners on the Rathbones Inspire programme
- Hosted 19 events including our annual Inspire Female Founders Breakfast
- Partnered with The Spectator Economic Innovator of the Year Awards, to celebrate the passion and creativity of British entrepreneurs. Through the awards, we invited businesses from all corners of the UK to showcase their remarkable achievements and contributions to our economy and society. This partnership, which is backed by our CEO, supports our aim to be the 'wealth management home of best choice' for Entrepreneurs - a key segment for our business. We selected and honoured outstanding breakthrough and scale-up ventures in six regions. One of these regional winners was named overall Economic Innovator of the Year and special awards were handed for Excellence in Sustainability, and another for a newer venture picked as our One to Watch
- Recorded seven new episodes of our Inspired Sounds thought leadership podcast for entrepreneurs, business owners and leaders, featuring the founders of Moonpig and Better Nature
- Rathbones Inspired Sounds reached #1 in the Apple UK Investing Chart and #3 in Business overall (behind Diary of a CEO and Martin Lewis)
- Category sponsor for the 'International Expansion Award' at the Everywoman Entrepreneur Awards 2024.

**OVERVIEW AND PROGRESS IN 2024** 

## **POLICY ENGAGEMENT**

Through advocacy and collaboration, we seek to help shape policy frameworks that drive environmental action and build more resilient economies, and in turn have a positive impact on our communities. We actively engage in regulatory discussions and industry-wide initiatives to advance ESG best practices and responsible investment policies.

We see policy engagement as a core pillar of driving meaningful change, and we participate in collaborative demands for regulatory or policy changes on ESG best practice and responsible investment.



- Signatories to the 2024 Global Investor Statement to Governments on the Climate Crisis. This letter stated that effective policies are essential at all levels of government to accelerate the private capital flows needed for a climate-resilient, nature-positive, just net zero transition
- Supported a statement from the PRI, IIGCC and UKSIF ahead of the General Election which re-emphasised the importance of strong policy support for a comprehensive, well-executed net zero transition. To this end. the PRI. IIGCC and UKSIF worked on a statement which was published after the election. This statement was purposefully high level, apolitical and non-prescriptive, highlighting the need for a whole of government approach to the transition, underpinned by clear sectoral roadmaps
- Greenbank also signed a joint letter alongside 100 other businesses and investors calling on the EU to set a greenhouse emissions reduction target of at least 90% by 2040

- Signed a letter sent to the Chair of the National Energy System Operator expressing concern over policy and procedural weaknesses in the battery storage sector. which are undermining investor confidence. We received a reply and invitation to join roundtable dialogues between government and companies on the issue, to ensure it is addressed in the UK Government's 2024 net zero power plan
- Greenbank's Head of ESI Research participated in a House of Lords debate hosted by Baroness Young and Good Corporation on the topic of how the UK can mandate effective Human Rights and Environmental Due Diligence. The discussion centred on a new Bill called the Commercial Organisation and Public Authorities Duty (COPAD) Bill which would place a duty on commercial organisations and public authorities to prevent human rights and environmental harms. There was broad support for the Bill. However, concerns were raised. Greenbank will be continuing to monitor this Bill as it progresses.

The structure also strengthens risk

for local offices to tailor their delivery.

management while maintaining the flexibility

By creating a more coordinated model, the

a higher level of impact and collaboration.

The hubs are organised into five regional

hubs support Rathbones' ambition to achieve

groups to mirror the operational structure of

North, South, Channel Islands, and London

partnerships. To better support colleagues,

we introduced a comprehensive community investment toolkit in May. The toolkit provides

guidance on various aspects of community

and managing donations and fundraising.

The toolkit launch was accompanied by a Teams session attended by colleagues across

Rathbones and IW&I.

investment including establishing charitable

This reshaped approach ensures Rathbones'

meaningful local impact while remaining aligned

with the strategic objectives of the Rathbones Group Foundation. Through this new structure,

we aim to nurture a culture of collaboration

and effectiveness, creating lasting benefits

for the communities we serve.

community investment activities deliver

partnerships, organising volunteering activities,

the organisation - Scotland & Northern Ireland,

## **OUR COMMUNITIES**

## SPOTLIGHTS: IMPACT IN ACTION

## Community Investment Hubs

Following the combination with IW&I, we updated our approach to community support and impact by introducing a new structure of community giving hubs. This initiative was designed to unify the efforts of both organisations, fostering a more coordinated and effective approach to community investment. The community investment hub structure supports our offices and colleagues through the sharing of activities. exchange of best practice, and supports the alignment of reporting processes.

The community investment hubs play a vital role in providing guidance and oversight for the local delivery of community initiatives. They serve as a resource for offices, offering support in implementation and ensuring alignment with Rathbones' broader strategic goals. While each investment initiatives by streamlining processes for due diligence, decision-making, and reporting.

& Cambridge. The hubs were allocated a budget following a review which took into account factors such as employee numbers, geographical coverage, and historical engagement levels with charitable

potential for greater impact at a regional level,

## **CHANNEL ISLANDS**

Guernsey Jersey

## SCOTLAND/NI

Belfast

Edinburgh

Glasgow

## **SOUTH**

Birmingham

Bournemouth

Bristol

Cheltenham

Chichester

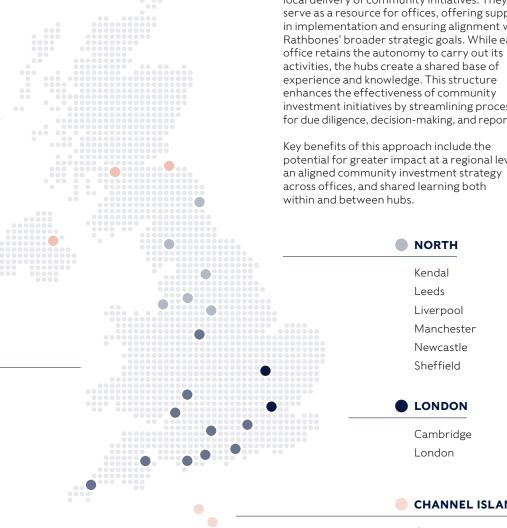
Exeter

Falmouth

Guildford

Lymington

Winchester



SPOTLIGHTS: IMPACT IN ACTION



# Young Enterprise and MyBnk

In 2024, MyBnk joined Young Enterprise (YE) as our national partners in delivering programmes to empower children and young adults with vital financial skills. Their approaches complement each other, addressing different age groups and stages of life to create a continuous pathway toward financial literacy and inclusion.

As a founding partner of YE's Inspiring Futures programme we are excited to be supporting YE as they equip disadvantaged young people aged 15–19 with practical career, and employability skills. Through flagship workshops like Learn to Earn, Employability Masterclass, and immersive entrepreneurship projects, students gain essential knowledge and tools to prepare for the workforce.

MyBnk targets young adults aged 18–25 transitioning through critical life stages, such as care leavers, or those facing homelessness. Through two-day workshops, participants explore financial concepts like budgeting, banking, and borrowing. Additionally, MyBnk engages employees in volunteering to enhance both youth and parent education on financial literacy.

Together, these charities create opportunities to access financial education experience for disadvantaged young people. Our partnerships enable us to reach a broader portion of society and run varied sessions in the communities that need them most.

## Rathbones Inspire Programme

As a company with a long history of supporting entrepreneurs and multi-generational family-run firms, we are committed to supporting entrepreneurs, founders and business owners on their growth journeys. One way in which we achieve this is through Rathbones Inspire, a programme providing an ever-growing community of over 300 business owners and founders the opportunity to engage with talented peers, gain invaluable insights, access subject matter experts and thought leadership, and build new connections to further strengthen their businesses. Participants of the Rathbones Inspire community span different sectors and are based across the UK.

Our strong track record of investing in successful businesses means we understand the challenges and needs faced by entrepreneurs and their leadership teams.

Our Rathbones Inspire community participants gain access to exclusive content, regular networking opportunities and deep expertise to support with growing their businesses. This involves interactive sessions, masterclasses, entrepreneurial dinners and regional events.

In 2024 we hosted 19 content events, including our annual Inspire Female Founders Breakfast where a brilliant panel of female investors shared expert advice on how to raise capital, how to scale a business to help accelerate growth and how to ensure success. They offered invaluable tips on taking a business to the next level including how to write a compelling business case to make you stand out from the crowd.



I've taken a lot from these sessions and since attending have done a few things of significance including taking on an external chairperson, reorganising and putting in a proper board, and launching a new product with someone I met through Rathbones Inspire.

Rathbones Inspire Programme participant



INTRODUCTION

SPOTLIGHTS: IMPACT IN ACTION



## Food policy engagement

In 2024, through the work of Greenbank, we played an active role in food policy. This included:

- Coordinating a response from the Investor Coalition on Food Policy to the House of Lords Select Committee on Food, Diet and Obesity. The final report was released in October and included several of the Investor Coalition on Food Policy recommendations
- Providing oral evidence to the House of Lords Select Committee on Food, Diet and Obesity. This was an exciting opportunity for the investor voice to be on the public record on how to address the issue of rising diet-related poor health in the UK

- Participating in a roundtable discussion with the Shadow Food Minister, Daniel Zeichner MP and Baroness Jenkins.
   This was an important opportunity to put forward our policy requests to cross-party parliamentarians, and to communicate expectations to food businesses about what issues matter to investors. We have maintained consistency in our message and asks, despite changing priorities within government, ensuring that the long-term systemic risks facing companies are on the Government's agenda
- Meeting with officials from the Department for Health and Social Care (DHSC) in our role as chair of the Investor Coalition on Food Policy
- Co-authoring a letter alongside business leaders and NGOs – to UK government officials working on the Food Data Transparency Partnership, advocating for the mandatory adoption of shortlisted health metrics rather than voluntary reporting.

The Investor Coalition on Food Policy now comprises over 30 investors with over £6 trillion in assets under management or advice. A big focus for the Coalition going forward is to initiate dialogue with the new Labour Government ministers and officials, to share the investor case for ambitious government policy to address the risks and opportunities facing our food system.

## Looking forward

We recognise our responsibility in contributing to the creation of successful, thriving communities.



In 2025 we will continue to support the communities in which we operate.

Our approach will remain aligned with good practices, working closely with regulators, partners, suppliers, and communities to understand their ambitions. We will continue delivering support through the Rathbones Group Foundation, Give As You Earn (GAYE) and matching schemes. All colleagues will be offered three volunteering days per year, which will be extended across IW&I offices starting from April 2025. These days will allow them to contribute to causes they care about through volunteering or skills sharing.

Our community investment funding will stay focused on promoting access to opportunities for children and young people (up to age 25) across three key areas of education, entrepreneurship, and the environment.

The five community investment hubs introduced in 2024 will further develop their partnerships with local charitable organisations. We will also explore new ways to strengthen collaboration across our national partners to enhance the reach and effectiveness of their programmes.

We are committed to supporting financial education and awareness. Our partnership with Young Enterprise (YE) will continue, alongside collaboration with MyBnk, which joined us in 2024. These programmes align closely with our commitment to equip younger generations with tools for financial literacy and resilience.

Building on our progress with entrepreneurs, a key segment for our business, we will maintain key partnerships that celebrate achievements in British entrepreneurship.

Environmental and societal issues will remain a priority. We will engage with companies and policy makers on issues such as net zero, water, nature and biodiversity, sustainable mining, and modern slavery.

Our vision for 2025 builds on progress from previous years, with a focus on continued collaboration, meaningful partnerships, and impact for all stakeholders.

INTRODUCTION

# OUR GOVERNANCE

Enhancing our governance through embedding privacy, human rights, nature and climate risk considerations in our decision-making process

Overview and progress in 2024

- 31 Human rights and supplier engagement
- Corporate governance and ethics
- 33 GHG emissions and operational impacts
- 34 Our approach to managing our impact
- 35 Spotlights: Impact in action



## OUR GOVERNANCE OVERVIEW AND PROGRESS IN 2024

## **HUMAN RIGHTS AND SUPPLIER ENGAGEMENT**

We uphold high ethical standards in our supply chain and business relationships, respecting human rights and adhering to responsible sourcing practices.

Through our alignment with and support for the United Nations Global Compact, the International Labour Organization's

standards and the Universal Declaration of Human Rights, we show our commitment to operating in a way that respects human rights. We do not tolerate child or forced labour, be it through our business and its value chain, or in the value chains of the companies we invest in on behalf of our clients.



- Developed a Group-wide Human Rights statement, which will be refined and published in 2025
- Produced a human rights work plan for 2025 and 2026. This plan is aligned to the business and human rights principles guidance
- Conducted internal human rights awareness raising activities including a webinar open to all our colleagues on modern slavery in March, and published articles on our intranet
- Continued to support the United Nations Global Compact (UNGC). In 2024, our communication on progress to the UNGC included IW&I for the first time
- 95% of suppliers paid within 30 days
- Reviewed and updated our supplier maturity roadmap, including a revision of our ESG questionnaire. The roadmap outlines our next steps, including increased business level management information and a greater focus on procurement and on-boarding support from the central team

- 79% of suppliers (making about 70% of Rathbones third-party spend) completed our ESG review. The main areas of concern raised through the responses included modern slavery statements, living wage compliance (where our smaller supplier partners' response may be limited by their size), net zero approaches supported by near-term targets and data disclosure in our larger partners
- Following the completion of the IW&I transaction, we reviewed our modern slavery statement to ensure alignment of our expanded supplier universe. Our updated statement will be taken to the Board for approval and our aim is for this to be released in Q2 2025.

**OVERVIEW AND PROGRESS IN 2024** 

## **CORPORATE GOVERNANCE AND ETHICS**

As a responsible business, we foster a culture of accountability through our processes, training, and regular assessments of how we operate. This includes key areas such as risk management, whistleblowing, anti-bribery, and data protection.

We have a well-established approach to risk management, which has continued to evolve as the Group responds to external developments. Our risk governance, process and infrastructure are designed to ensure that adequate risk management is applied to existing and emerging challenges, to our day-to-day activities and strategic objectives.

Training on our code of conduct and whistleblowing process happens every year. This ensures everyone understands the expectations of the business and the processes in place through which concerns can and should be raised.

We protect personal data and privacy through a combination of policies, advanced security measures, and adherence to regulatory requirements such as GDPR.

Sensitive information is handled with care, employing encryption, access controls, and regular vulnerability assessments to prevent unauthorised access or breaches.

By fostering a culture of accountability and providing ongoing education on best practices, we empower both our team and stakeholders to uphold privacy standards. This proactive stance ensures the integrity and confidentiality of all personal and financial data entrusted to us.

- Maintained our zero-tolerance policy towards bribery and corruption and ensured all our employees are adequately trained.
- At the end of the year, 96.1% (95.2% in 2023) of Rathbones' in-scope employees had completed our anti-bribery and anti-corruption training
- In 2024, there were two cases raised via our whistleblowing process. Both matters were independently investigated and resolved
- Our whistleblowing policy sets out how Rathbones will support employees so that they can safely express concerns and know who to contact, how to make a report and the protections available to them. Line managers cascade awareness of this policy and encourage a positive and open working culture so that individuals feel comfortable expressing concerns
- Continued to review and test our policies and security measures on privacy and data protection. We recognise that education is a key part of our preventative efforts. In 2024, we issued all company briefs on preventing data breaches, identifying phishing attempts, etc. Data protection and privacy related e-learning courses were also available to all our colleagues
- In 2024, 99.7% of in-scope colleagues completed data protection training.



**OVERVIEW AND PROGRESS IN 2024** 

## **GHG EMISSIONS AND OPERATIONAL IMPACTS**

As a responsible business, we consider the operational impacts of the business on climate and nature. We are committed to reducing our operational environmental footprint through targeted emissions reduction strategies, responsible resource management, and action to protect biodiversity and preserve natural ecosystems.

In 2024, we saw our operational emissions increase, mainly due to the increased supplier spend in purchased goods and services and capital goods categories (as we relocated and refitted offices) and business travel as the most significant contributors to our emissions. We also calculated our investment footprint, which indicates our investment exposure to climate change. For full details of our operational footprint, see the metrics and targets section (page 34) of our Climate Report.



- —We saw emissions increase in 2024, with purchased goods and services (Scope 3: Category 1) remaining the largest emissions source. As spend increased, our emissions also increased. Despite this, emissions grew more slowly than spending due to an increase in low-carbon intensity services, such as management consultancy, software supply support and uncategorised spend, leading to a reduction in emissions intensity per pound spend (kgCO₂e/£)
- Use of Docusign, rather than paper, saved 127,796 gallons of water (equivalent to skipping 92 loads of laundry) and 43,402 pounds of wood (equivalent to conserving 130 trees)
- Capital goods (Scope 3: Category 2) accounted for 36% of emissions in 2024, a significant contrast to previous years where it contributed between 2-4%. This is a result of an increase in spend on office relocations and refits, with the refit of our London office being a key driver. We expect emissions in this category to return to pre-2024 levels next year as the scale of office renovations slows

- Business travel emissions continued to increase in 2024, 66% relative to 2023. The most significant contributor to this was from air travel, with an increase in long-haul business class flight travel increasing emissions by 412 tCO₂e. Other significant contributors were domestic flight travel and road mileage
- In 2024, we broadened our Climate Working Group to include nature impacts and brought together experts from across the business to formulate our approach to managing and disclosing climate and nature related risks and opportunities. This working group consults on and learns from our specialist team. Greenbank
- In 2024, Greenbank started the process of developing its nature targets which will support the global effort to halt and reverse biodiversity loss. These targets will focus on the governance of nature-related risks, the assessment of nature-related impacts and dependencies, and training on the relation between nature loss and investment, but will be finalised and published in early 2025.

## OUR APPROACH TO MANAGING OUR IMPACT

## Our operational targets

We continue to pursue an absolute reduction in our operational carbon footprint and offset residual emissions, alongside responding to the operational climate related risks and opportunities that we face as a business.

We have committed to reaching net zero emissions by 2050 or sooner. Since the SBTi approved our net zero emissions targets in 2022, Rathbones merged with IW&I, which triggered the need for the recalculation of base year emissions and targets. The following restated near-term net zero targets will be submitted for validation by the SBTi:

- —Scope 1 and 2: Rathbones Group Plc commits to reduce absolute Scope 1 and 2 emissions by 42% by 2030 from a 2023 base year
- —Scope 3 operational target: 70% of Scope 3, Category 1 and 2 suppliers by emissions to have science aligned targets within five years of target submission date.

Our near-term science-based target was set based on our 2023 footprint. Please see the environmental impact section of our Climate Report for more details on progress, key levers to reach our net zero targets and carbon credit information.

( Climate Report

Following the combination with IW&I, we have consolidated both our operational data, which can be seen in the table below, and our emissions exposure through the investments we make on behalf of our clients. As a result, we have restated our net zero near-term targets to reflect these changing using 2023 as our new baseline.

#### OUR CARBON FOOTPRINT DATA<sup>1</sup>

(INC. Streamlined Energy and Carbon Reporting)

Location-based emissions (tCO <sub>2</sub> e) <sup>2</sup>	2024	2023	2022
Scope 1 (tCO₂e)	531	584	639
UK <sup>3</sup> emissions	531	584	639
Global <sup>3</sup> emissions (excl UK)	-	-	-
Scope 2 (tCO <sub>2</sub> e)	643	773	757
UK <sup>3</sup> emissions	637	769	753
Global <sup>3</sup> emissions (excl UK)	5	4	4
Scope 3 (tCO <sub>2</sub> e) <sup>4, 5, 7, 8</sup>	36,168	22,425	20,630
UK <sup>3</sup> emissions	35,831	21,977	20,621
Global <sup>3</sup> emissions (excl UK)	337	448	368
Total location-based emissions (tCO <sub>2</sub> e)	37,342	23,781	22,025
UK emissions	36,999	23,330	21,653
Global emissions (excl UK)	342	451	372
Market-based Scope 2 emissions	394	478	540
Total energy consumption (MWh) <sup>6</sup>	5,194	8,057	8,111
UK consumption	5,104	7,955	7,891
Global consumption (excl UK)	90	101	94
Intensity ratios <sup>7, 8, 9</sup>			
Scope 1 and 2 – location-based emissions (tCO₂e/FUMA £bn)	10.7	12.9	13.8
Total location-based emissions (tCO₂e/FUMA £bn)	342	225.8	218
Total location-based emissions (tCO <sub>2</sub> e/FTE)	10.6	6.8	6.6

- 1. Following agreement of the combination with IW&I we have restated our environmental figures. All figures in the table include IW&I emissions and are therefore comparable
- 2. In accordance with best practice introduced in 2015, we report two numbers to reflect emissions from electricity. Location-based emissions are based on average emissions intensity of the UK grid and market-based emissions reflect emissions from our specific suppliers and tariffs. Scope 2 market-based emissions for 2024 are 394 tCO<sub>2</sub>e (2023: 478 tCO<sub>2</sub>e)
- 3. Under SECR regulation we are required to split our global and UK emissions. Our global emissions (excl. UK) and global consumption (excl. UK) reflect electricity emissions and consumption (respectively) from our Jersey office. It is not possible to split out travel and allocate to our Jersey office at this stage
- 4. Data centre emissions are reported under Scope 3, as per the WRI GHG Protocol, categorised in purchased goods and services
- 5. Electricity transmission and distribution (T&D) reflects emissions from line losses associated with electricity transmission and distribution
- $6. \ \, \text{Total energy consumption (kWh) of our Scope 1} \\ \text{and Scope 2 emissions (electricity), and scope 3 (employee cars)} \\$
- 7. 2023 Scope 3 emissions increased by 100tCo<sub>2</sub>e relative to what was reported last year due to data improvements (business travel), this also impacted our intensity ratios for 2023
- 8. Data relates to total Scope 1, 2 (location-based) and Scope 3 GHG emissions
- 9. Total location-based emissions intensity metrics are calculated using our Scope 1, 2 and Scope 3 category 1–8 data.

## SPOTLIGHTS: IMPACT IN ACTION



## Human rights

Rathbones recognises that human rights are a critical issue for businesses worldwide, and we are committed to making a positive impact in this area. To formalise this commitment, 2024 marked a pivotal step as we began drafting a Human Rights Statement, which is scheduled to be published in 2025. This statement will outline our approach to respecting human rights across our operations and investment processes, serving as both a commitment to driving positive change and a roadmap for embedding human rights considerations systematically into our practices over time.

Although human rights have been implicitly considered in our work at Rathbones, the forthcoming statement will provide an overview of how we aim to integrate these considerations into our operations, the investments we hold on behalf of our clients, and our engagement with partners. Our approach is informed by internationally recognised frameworks and principles. This underscores our belief in sustainable and ethical business practices, which are essential for fostering long-term success and mitigating risks.

We firmly believe that prioritising human rights is not only the right thing to do but also a critical factor in achieving long-term sustainability.

Businesses that address human rights proactively are better positioned to maintain positive stakeholder relationships, avoid reputational risks, and steer clear of legal or regulatory challenges.

Developing an effective approach to human rights is highly dynamic and requires collaboration across multiple areas of the business. To inform this work, we consulted over 100 colleagues across various roles including compliance, equity research, responsible investment analysts, investment managers, fund managers, and other operational and client-facing teams via surveys and face-to-face discussions. This engagement process highlighted the importance of addressing human rights risks and underscored the value of a collective approach. Additionally, our participation in the UK Network of the United Nations Global Compact's Business and Human Rights Accelerator programme provided critical training and resources, helping to shape our strategy with practical insights.

Accountability remains central to our process. This is ensured by our governance framework, which is supported by the responsible business team, the RBC and an Executive Sponsor.

Throughout 2024, we also focused on taking tangible actions. For example, our stewardship team engaged with 12 companies to encourage best practices around human rights. One standout example was our meeting with the Legal and Compliance Director and Head of Sustainability at UK fashion retailer Next. They demonstrated exemplary practices through direct auditing of supply factory conditions and the rollout of an innovative grievance app for factory workers, which resolved over 200 grievances in Pakistan within just five months.

Looking ahead, our work over the next three years will focus on building a strong foundation to tackle human rights challenges. Key priorities include assessing risks to communities and employees, integrating human rights considerations into client mandates, evaluating the approaches of our partners, and contributing to the remediation of human rights violations where appropriate. At Rathbones, we are determined to take meaningful steps toward creating a future where respect for human rights is at the heart of our operations and investments.

SPOTLIGHTS: IMPACT IN ACTION

## Risk management

We continually assess our risk profile against both internal and external risk drivers. In 2024 our focus remained on client service. the resilience of our business and wellbeing of our colleagues.

As we moved into the integration phase of our combination with IW&I we saw this reflected in our principal risk profile. The integration has naturally augmented associated risks. People risk has materially increased in impact and likelihood and become one of our top risks in the latter part of the year.

Process risk has become a watch item as we consolidate and streamline our organisational design and operating procedures. This is a new risk in 2024. Continuing from 2023, Rathbones' other top risk is change and integration risk. Successful programme delivery still represents a key risk and the outlook remains unchanged into 2025.

To read more about our risk management process and principal risks see pages 58 to 67 in our 2024 Annual Report and Accounts.





## Consolidation of the offices

In 2024, our property and facilities team oversaw the consolidation of properties in eight locations where we had dual presence (Rathbones and IW&I). This led to a number of office relocations which delivered several benefits for our stakeholders. You can read more about this on page 95 of the 2024 Annual Report and Accounts.

During each relocation, environmental factors were considered, be it in the quality of office identified if the business moved to a new site (e.g. Bristol) or the standard of office refit where we combined into one previous site (e.g. London). For 2024, the environmental data collected includes all sites occupied at any stage through the year and the emissions from the refit of the offices.

INTRODUCTION



## Carbon credits

Whilst our primary focus remains on reducing the carbon emissions associated with our operations and investments, we believe that funding Nature-Based Solutions has a positive impact on climate change, playing an important role in carbon sequestration and supporting several Sustainable Development Goals.

In 2024, we funded two Nature-Based Solutions which focused on delivering positive impacts through afforestation. The first was Vichada Afforestation in Colombia. This project's goal is to restore land degraded by cattle raising through timber plantations. This is multi-beneficial, removing carbon from the atmosphere, promoting connectivity between ecosystems through improved tree canopy coverage, and providing equal employment opportunities to both women and men.

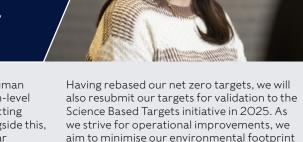
The second was Guanare Afforestation in Uruguay. This project promotes sustainable timber production while enhancing afforestation rates. By planting trees, it aims to restore habitats and reduce topsoil degradation. This is particularly significant in a region where afforestation has traditionally been considered an unviable land-use option, as the area has suffered from years of soil and grassland degradation due to extensive cattle grazing.

To find out more about our support of carbon finance projects, please see the Climate Report.



## Looking forward

Respecting human rights, promoting environmental sustainability, and fostering accountability and transparency across our operations is key to our long-term sustainability



In 2025, we will publish our first Human Rights Statement, setting out a high-level overview of our approach to respecting and promoting human rights. Alongside this, we will begin delivering our two-year human rights action plan, which includes reviewing relevant policies and procedures, strengthening our risk framework, and deepening engagement with external stakeholders.

As required by the Modern Slavery Act 2015, we plan to release our updated Modern Slavery Statement upon Board approval and make it publicly accessible on our website in May 2025.

Our annual training on the code of conduct and whistleblowing process will continue to emphasise accountability and transparency, with all reported cases independently investigated and resolved. With a zero-tolerance approach to bribery and corruption, we will sustain our strong focus on employee training, building on the 96.1% training completion rate achieved in 2024.

Furthermore, in support of our goals, we intend to develop and disclose a Climate Transition Plan which will outline the plans we have to set to achieve our net zero targets, as well as contribute to the transition to a low-carbon economy. The Climate Transition Plan will align with the guidance provided by the UK Transition Plan Taskforce and will be delivered through the responsible business strategy; informed by the climaterelated risks and opportunities we have identified and shared in our Climate Report.

while addressing emissions in key areas such

as supplier spend and business travel.

We will also continue work on nature-related targets (through Greenbank) and start developing a Group level approach to nature, building on the experience from Greenbank.

**OUR RESPONSIBLE** 

OUR CLIENTS

**OUR COLLEAGUES** 

# **FURTHER** INFORMATION



39 Statement of accuracy

40 Sustainable Development Goal alignment



## FURTHER INFORMATION OUR APPROACH TO DATA MANAGEMENT

#### **METHODOLOGY**

We continue to meet the greenhouse gas (GHG) emissions reporting requirements of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013 and our obligations under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. We have prepared this report in accordance with the requirements for quoted companies under these regulations by including our specific energy usage and energy-efficiency initiatives and have split out our global and UK emissions. Rathbones continues to report all material GHG emissions across our direct operations.

Rathbones uses an operational control approach and has included GHG emissions arising from business activities in the reporting year 1 January 2024 to 31 December 2024.

## ALIGNMENT WITH REPORTING STANDARDS AND REGULATIONS SOCIETY AND COMMUNITIES ENVIRONMENTAL IMPACT

Data has been collected and calculated following Defra's 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019)' and the WRI GHG Protocol Corporate Standard principles of relevance, completeness, consistency, transparency and accuracy (see below for the full breakdown).

Along with the aforementioned standards and regulations, Rathbones' 2024 Carbon Footprint results have been prepared in accordance with the following additional standards and calculation methodologies: — World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) (2015) (GHG Protocol) — WRI/WBCSD GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard (2015) (GHG Protocol Scope 2 Standard) - WRI/WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2013) (GHG Protocol Scope 3 Standard). The scope of work has included interviews with key Rathbones' personnel, a review of internal and external documentation, and interrogation of source data and data collection systems, including comparison with the previous years' data.

## WRI GHG PROTOCOL CORPORATE STANDARD PRINCIPLES

Ultimately, the methodology is defined by the GHG Protocol's Corporate Standard principles. The below provides Good Business's response to each guiding principle:

#### Relevance

We have ensured the GHG inventory appropriately reflects the GHG emissions of the company and serves the decision-making needs of users, both internal and external to the company.

## **Completeness**

Rathbones defines its organisational boundaries using the operational control approach. Under this approach, Rathbones accounts for 100% of the GHG emissions over which it has operational control. This includes emissions arising from the operation and value chains of Rathbones Group Plc and each of its subsidiaries.

#### Consistency

To ensure comparability, we have used the same calculation methodologies and assumptions as for the previous year, or stated any updates made across all years.

### **Transparency**

Where relevant, we have included appropriate references to the accounting and calculation methodologies, assumptions and recalculations performed.

## Accuracy

To our knowledge, data is considered accurate within the limits of the quality and completeness of the data provided. To measure Rathbones' value chain footprint. Good Business has followed the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Rathbones' Scope 3 emissions include calculations through spend-based activity data and average emission factors. GHG emissions have been quantified in accordance with the GHG Protocol. The calculation methodology applied by emission scope and source involves applying the relevant GHG emission conversion factor (EF) to the relevant activity data. Rathbones uses the Intergovernmental Panel on Climate Change's (IPCC) AR5 GWPs.

#### STATEMENT OF ACCURACY

Good Business Independent Statement: Relating to Rathbones Group Plc 2024 Carbon Footprint.

Good Business is an external sustainability agency which Rathbones commissioned to calculate the full value chain carbon footprint of Rathbones Group Plc for the period 1 January 2024 to 31 December 2024.

The objective of this work was to calculate Scope 1, 2, and 3 emissions for use in public reporting and for internal analysis and emissions reduction tracking.

The scope of this work was to identify the boundary of the carbon footprint, collect and analyse activity data, and apply relevant emissions factors. This did not involve verifying the data supplied by Rathbones Group Plc. All stages were conducted in accordance with the principles laid out in the reporting standard: World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) (2015) (GHG Protocol).

#### **FURTHER INFORMATION**

OUR APPROACH TO DATA MANAGEMENT

## OUR SUSTAINABLE DEVELOPMENT GOAL ALIGNMENT

As we work to understand and manage the environmental, social and governance risks and opportunities that face our business, we are looking to align our reporting to recognised frameworks. Alongside showing our support for the United Nations Global Compact in 2021, we also mapped our responsible business programme to the 17 United Nations Sustainable Development Goals (SDGs) and their underlying 169 targets. As a result of this process, we have identified seven goals which we believe we materially align with. Through our various fund or investment approaches, we impact many more SDGs. At this time rather than show alignment to all 17 SDGs, we have chosen to show those which we see have a direct impact. Greenbank, our ethical, sustainable and impact business' approach to responsible investment, has long recognised many of the challenges encompassed in the SDGs and the ways in which companies can meet them.

			2024	2023	2022
GONTELA CONTELA	Developing our people	Investment per person (training) £	515	529	456
<b>M</b> i		Total number of employees completing CISI ESG module <sup>1</sup>	N/A	394	385
GENCER EQUALITY	Responsible investment	% of ESG topics engaged on which relate to DE&I1	9.6	11.4	7.5
₫"	Creating an inclusive business	% women on our Board	44	56	43
		% Group Executive Managers female/male	45/55	33/67	30/70
		% women in senior management	27/73	37/73	30/70
NTWORK AND OME GROWTH	Responsible investment	Living wage signatory	Yes	Yes	Yes
1	Creating an inclusive business	Our mean gender pay gap¹	31.18	32	36
	Our supply chain	% of suppliers paid on time¹	92	94	92
	Managing our modern slavery risk	% of key suppliers supporting Rathbones Group Plc reviewed for alignment to the Modern Slavery Act	79	76	69
EO NJITES	Creating an inclusive business	% employees female/male	48/52	46/54	46/54
<b>•</b>		% employees sharing their diversity data¹	61	63	64.9
MULE MULE MULE MULE MULE MULE MULE MULE	Responsible investment	Transparency – PRI score – policy governance and strategy (previously investment and stewardship policy)¹	N/A	77%	72%
	Our environmental impact	Waste produced (tonnes)	341	407	369
		Supply chain emissions (category 1 and 2) tCO₂e	30,620	17,192	16,234
ŧ	Responsible investment	Climate-related voting action taken¹	34	45	61
		% of our underlying securities that have set or committed to set targets in alignment with the SBTi	24	23	221
		Weighted average carbon intensity (Scope 1 and 2) equity (tCO₂e/\$m sales)	93.6	97.1	115.51
	Our environmental impact <sup>2</sup>	Total location-based emissions intensity (tCO₂e/FUMA £bn)	342	224.9	218.0
		Emissions intensity (tCO₂e/£m of operating income)	41.68	41.47	48.31
		Total location-based emissions intensity (tCO₂e/FTE)	10.6	6.8	6.6
EKSIADS E BOOKES	Responsible investment	Number of engagements carried out <sup>1</sup>	743	752	671
8	Community investment	Group donations £	699,793	589,1721	795,1101
		Group donations – % of pre-tax adjusted operating profit	0.7	1.381	1.241
		Total number of charities supported by Rathbones Group	78	771	811
		Number of charities supported by Rathbones Group Foundation	40	451	441
		Give as you earn – employee donations £	331,059	262,2571	221,4671
		Give as you earn – corporate donations £	215,150	215,9741	204,5111
		Rathbones Financial Awareness - people reached	755	9061	7941
		Rathbones Financial Awareness - people reached (since 2013)	13,098	12,3431	11,8391

<sup>1.</sup> Data excludes IW&I (UK)

<sup>2.</sup> In 2023 we have not been able to report paper purchased as in previous years, this impact has been included in our Scope 3, category 1 emissions

## **RATHBONES**

Rathbones Group Plc 30 Gresham Street London EC2V 7QN +44 (0)20 7399 0000 rathbones.com

