

Rathbone Brothers Engagement Policy

Background

As a signatory to the UN Principles for Responsible Investment since 2010, Rathbones strives to adhere to the 6 principles, and in particular principle 2, which states:

We will be active owners and incorporate ESG issues into our ownership policies and practices.

Further, our group [Stewardship Policy](#) has adopted active engagement as a foundational principle of our active ownership activities:

Engagement

Principle: Active engagement with companies on governance issues is an important adjunct to voting activities.

Our stance

As owners of the companies in which we invest on behalf of our clients, we undertake dialogue with companies on a wide range of environmental, social and governance issues. This includes the issues of strategy, performance, risk, capital structure, corporate governance, including culture and remuneration, environmental management and human capital management, from time to time as the situation demands.

In doing so we recognise that such engagements often present themselves across a spectrum of severity. In order to maximise the effect of our engagements and deliver on our responsibilities to clients, we must be selective and pragmatic. Whilst the specific approach taken to engagement will be decided on an ad hoc, case by case basis, the following principles guide the selection of an issue for more active engagement:

1. **Exposure:** Across our portfolios we may hold stakes in smaller companies which, whilst small in terms of value, may be significant in terms of the proportion of voting rights. We are more likely to engage directly where we hold a material stake in the company, defined as holding in excess of 3% of a company's share capital.
2. **Severity:** We are more likely to engage on issues that present an immediate or severe threat to the best interests of our clients.
3. **Location:** We are more likely to engage with those companies where we have a deeper understanding of the local legal framework.

Methods

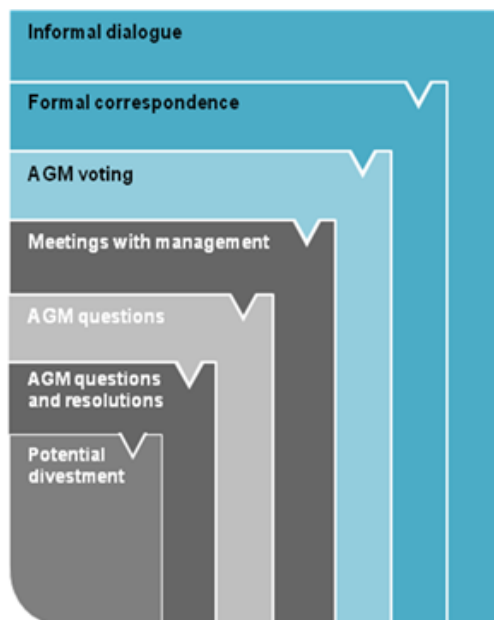
Proxy voting is an important avenue through which to express our views, and we have adopted a proportional approach to proxy voting at those companies where we have the most influence and the largest client exposure. This is dealt with in our Stewardship Policy, and through our bespoke proxy voting template.

We make use of formal and informal dialogue with company management on a regular basis. We monitor planned company meetings against our list of priority issues and ensure that relevant ESG questions are asked.

Where necessary, we will consider attending AGMs to make formal statements, and are open to co-filing shareholder resolutions.

Escalation

Whilst we reserve the right to respond as appropriate, as determined by the circumstances, our general approach to engagement is outlined by the graphic below:



Collaboration

Where appropriate, in line with our conflicts of interest policy, we will seek to engage on a collaborative basis. We recognise that in some situations our concerns will align directly with those of other shareholders. However, our overarching aim is to act in the best interests of clients, and this takes precedence over collaborative action.

Communication

This policy will be communicated to Fund Managers on recruitment and annually as part of the group's review of engagement activities.

Conflicts of Interest

Issues may arise from the fact that Rathbone Bros PLC is itself a listed company and subject to the principles of the UK Corporate Governance Code. The direction of our voting and engagement

activities may, on occasion, not be consistent with the corporate governance arrangements of Rathbone Brothers PLC. The internal corporate governance of Rathbone Brothers PLC is outside of the remit of this policy and the Stewardship Committee.

Contact

For enquiries relating to engagement, please email engagement@rathbones.com

Review

The Investment Executive Committee will review this policy annually.