

Stratford Town Trust Responsible Investment Policy

Background

Stratford Town Trust is committed to investing its funds, including its endowment funds, on a socially and environmentally responsible basis. This Responsible Investment Policy allows the Trust to optimise its investment returns whilst recognising its ethical and social responsibilities. This policy should be read in conjunction with the Trust's Investment Policy.

This policy is for all trustees, but particularly members of Finance Investment and Property Committee, Trust staff directly involved in investment decisions and any externally appointed Investment Managers. It is also a useful reference for other staff, Trust members, potential Investment Managers and the wider public.

We believe that in line with our vision and purpose when investing our funds, regard must be made to, environmental, social and governance (ESG) issues.

ESGs are non-financial considerations that inform investment decisions based on the risks these factors pose to the Trust's investments. ESG criteria is not necessarily about what a company manufactures or sells but how it goes about it.

Environmental: the impact companies are having upon the planet today and in the future.

Social: the societal impact companies are having upon people in the world and

Governance: the structure, procedures and practices by which a company is controlled and directed, including the diversity of their workforce, senior management and their remuneration.

Investment Managers

In making investment decisions the Trust expects its appointed external Investment Managers to uphold good behaviour and/or discourage poor behaviour through the screening of investments, either positively or negatively and through direct engagement with companies.

This policy is based on the premise that the Trust's choice of where to invest should reflect its ethical values. To this end, the Trust, or its appointed Investment Manager, will not invest in those organisations where the primary part of their business clearly demonstrates the following characteristics:

- explicit environmental damage;
- manufacture or sale of armaments to military regimes;
- institutional violations of human rights, including the exploitation of the work force;
- discrimination against an individual;
- the manufacture of tobacco products;
- the sale of tobacco products (where the investment is in companies that derive more than 10% of their revenue from selling tobacco products); and
- the manufacture of cosmetic products that are tested on animals.

In making investment decisions the Trust expects its Investment Managers to actively consider the following areas (this list should not be considered as exhaustive):

- Promotion of sustainability, good business ethics and good employment practices;
- Protection of the global environment, its climate and its biodiversity;
- Promotion of community investment;
- Promotion of international co-operation and an end to international conflict; and
- Sustainable provision and procurement of essential resources and services

The Trustees give their Investment Managers full discretion when evaluating ESG issues and in exercising rights and stewardship obligations relating to the Trust's investments. They have confirmed receipt of this policy and will act accordingly.

The Trust aims to ensure that the votes attaching to its holdings in all quoted companies, both in the UK and overseas, are exercised whenever practical. The Trust's voting policy is exercised by its Investment Managers in accordance with their own corporate governance policies and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code.

For those assets of the Trust invested in pooled arrangements, the Trustees accept that the assets are subject to the Investment Managers' own policies on corporate governance as well as environmental, social and ethical investment. The Trustees have reviewed the policies of each pooled fund in which the Trust invests and is comfortable with the arrangements in place.

While operating within the criteria set out in this policy and in line with the guidelines as detailed in the Client Investment Profile within the Client Agreement, appointed Investment Managers are allowed discretion to select individual stocks and to operate within their own organisation's Socially Responsible Investment Policy.

Links to Sarasins & Partners, Cazenove's, Schroder UK Property Fund and Charity Property Fund's responsible investment policies are below:

<https://sarasinandpartners.com/stewardship/cazenove-capital---esg-policy.pdf> (cazenovecapital.com)

[ESG – Charities Property Fund \(cpfund.co.uk\)](https://www.cpfund.co.uk)

[Sustainable investing at Schrodgers: Beyond Profit - Schrodgers global - Schrodgers](#)

The policy will be reviewed annually, at the same time as the investment policy is reviewed.

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