

Statement of Ethical Investment Policy for the Wilhelmina Barns-Graham Trust (the WBG Trust)

1. Introduction

This document sets out the position of the WBG Trust regarding our approach to issues of ethical investment.

WBG Trust Investment Strategy

The WBG Trust receives advice and support on investment matters from CFA qualified investment advisors. The WBG Trust seeks to make a return on investments in line with Trustees Fiduciary responsibilities. In doing so the Trustees take account of ethical considerations as well as their determination to be a responsible investor. In doing so the WBG Trust requires fund managers to take account of Environmental, Social and Governance (ESG) considerations when investing WBG Trust's funds, along with ethical restrictions derived from its charitable purposes which might hamper the work of the WBG Trust.

The WBG Trust's ethical investment policy embraces stewardship, engagement and investment exclusions. Whilst the WBG Trust is keen to ensure it does not materially contribute to, and benefit from activities that are contrary to its mission, the WBG Trust accepts that its funds are not directly managed and therefore there may be limits to the extent to which managers are able to implement all aspects of this policy. The selection of Investment managers by the WBG Trust should take account of this policy when appointing, agreeing mandates and reviewing performance.

2. Stewardship

The WBG Trust operates within the legal framework for investment by charities.

The WBG Trust recognises the UK Stewardship Code which encourages institutional investors to act as good stewards of their equity investments through active ownership (monitoring, engagement and voting).

The WBG Trust recognises tobacco, alcohol, indiscriminate weaponry, human rights abuse, environmental degradation and climate change as distinct ethical investment issues and requires fund managers to take account of these concerns when investing the WBG Trust's funds.

The WBG Trust Trustees will regularly review these restrictions in line with their fiduciary duties, whether any further issues emerge which conflict with the aims of the WBG Trust or might hamper its work.

3. Engagement

The WBG Trust expects companies in which its managers invest to manifest sustainable environmental practice, fair treatment of customers and suppliers, responsible employment practices, conscientiousness with regard to human rights, sensitivity towards the communities in which they operate and best corporate governance practice. The WBG Trust expects fund managers to raise such issues with investee companies in order to seek improvement in standards in these areas.

4. Investment exclusions

The WBG Trust does not wish to directly profit from, or provide capital to, activities that are materially inconsistent with the WBG Trust's work and objects and are also mindful of the danger of undermining the credibility and effectiveness were they to do so. The following exclusions are therefore adopted and communicated to investment managers:

- not to invest in any company a major part of whose business activity or focus is the production or supply of tobacco (0% revenue exclusion) and not to invest in any company that derives more than 5% of their revenue from the retailing of tobacco
- not to invest in any company involved in indiscriminate weaponry
- not to invest in any company that derives more than 10% of their revenue from the sale or production of alcohol
- not to invest in any company that derives more than 10% of their revenue from the production of tar sands or thermal coal or any other fossil fuels.

The WBG Trust may, exceptionally, seek to exclude from investment any individual company in any line of business on ethical grounds - normally if, after dialogue, the company does not respond positively to issues raised by the WBG Trust about its practices. In such cases the WBG Trust will determine individually whether to disinvest if investment managers hold shares in that company.

The WBG Trust expects a recognition of responsibility and a resolve to improve, rather than perfection.

Dated 4 August 2022

The Trustees

WBG Trust
