

Engagement policy

Approach

As a responsible investor, the Trust recognises the importance of engaging with the companies in which it is invested, or may invest in, encouraging business to be ethical, socially responsible and to protect the environment. In our approach to engagement we attempt to adhere, as far as is reasonably possible for an organisation of our size, to best practice.

We have responded to the FRC UK Stewardship Code and publish our detailed response on our website. We have also signed up to the Principles of Responsible Investment (PRI).

We report on our engagement activities in the Trustees' Annual Report which is published on the Trust's website.

Corporate engagement

Managed holdings

When selecting investment managers we deliberately choose well-resourced managers who understand and reflect our values and concerns as an investor. We therefore expect that they will lead on the engagement in the companies in which they are invested.

We also expect them to engage collaboratively with other investors who have similar concerns because this kind of engagement improves the efficiency of engagement programmes for all participants by sharing best practice, pooling resources and leveraging a greater shareholder base to effect change. We particularly encourage our investment managers to pursue this form of engagement when companies are hard to access for example the major technology companies in China.

To assist our fund managers in understanding our engagement priorities, we occasionally produce publicly available statements outlining our expectations of our fund managers when engaging with companies on certain topics such as a corporate tax or in certain sectors such as the technology sector. We encourage other asset owners to use these statements when engaging with their own investment managers to share best practice.

Where we have relevant knowledge about the companies in which our managers are invested, either directly or through our grantees, we will feed this into their engagement processes.

Very exceptionally, if for whatever reason a manager is not willing to pick up the mantle of engagement, we are prepared to engage directly with a company.

In the event of ongoing concerns, we are willing to sell our shares and/or change our managers.

Directly managed holdings

Where we directly manage holdings ourselves we will engage directly with the companies ourselves. In addition to routine ad hoc engagement with them, we expect to meet with them at least biennially and attend their AGMs where practical.

Engaging collaboratively ourselves

As a small organisation, we appreciate the benefits of collaborative engagement through investors' groups, such as the Church Investors Group and the PRI. These forums are cost effective and well-resourced and enable us to achieve a greater impact than we would from engaging by ourselves. They also allow us to share our expertise, including that of our grantees, while at the same time providing us with the opportunity to learn from, and support, others.

When engaging collaboratively, we are willing to join in on initiatives which encompass companies in which we are not invested provided that they are not outside our ethical universe.

Occasionally we will lead on collaborative engagements where we are well placed to do so and the matter is of particular concern to us.

Engaging with policy makers

We do not engage directly with policy makers. However, we will use our investor leverage to support this kind of engagement by organisations whose concerns overlap with ours, for example the Institutional Investors Group on Climate Change.

Using our name to lever campaigns

We may on occasion, and at our discretion, allow our name to be used to lever a campaign where there is a clear correlation with the Trust's interest. However, we are not a campaigning organisation and only have limited resources so we do not regard this as a major part of our engagement strategy or activities.

Buying shares for activist purposes

We do not buy shares for activist purposes.

Lending proxies for activist purposes

We will not lend proxies for activist purposes.