

## The Scottish American Investment Company P.L.C.

### ESG Policy

The Board of SAINTS recognises the importance of considering Environmental, Social and Governance factors when making investments. We believe that our shareholders should hold SAINTS to a high standard in this area, and also that it is the Board's responsibility both to set appropriate standards for SAINTS' managers and to monitor activity and progress in areas such as voting and engagement. We also believe that proper consideration of environmental, social and governance factors sits naturally with SAINTS' longstanding aim of providing shareholders with a dependable source of income, together with growth in income and capital that exceeds inflation over time.

The Board expects its equity managers to:

- Consider environmental, social and governance factors as part of their research and stock selection process
- Vote all holdings in the best long-term interests of SAINTS and its shareholders
- Engage with the management of holdings in a targeted fashion in order to help address environmental, social or governance issues or challenges that may arise during the course of SAINTS' investment, with a focus on those areas which are most material to SAINTS' portfolio as a whole
- Avoid investing in companies which have severe negative impacts on the environment, climate, society or wider stakeholders, unless those companies have high ambition to reduce those negative impacts over time and, in the judgment of the managers, they can be trusted to deliver on this ambition
- Be signatories of and adhere to the UN Principles of Responsible Investment, which aim to better align investors with the broader objectives of society.

The Board recognises the importance of high standards of corporate behaviour and strong governance in protecting shareholders' and society's interests, and of careful consideration of environmental factors including climate change in assessing the sustainability of investments.

The Board recognises that such factors are of significant importance in relation to property. Accordingly, it expects its property manager to consider those factors as part of its process, in relation to both property selection and the ongoing management of SAINTS' property investments.