

LINSELL TRAIN

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# Stewardship Report: Policy & Context

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2025



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# Foreword

**The UK Stewardship Code 2026 sets a high bar for stewardship standards for those investing money on behalf of UK savers and pensioners, as well as those that support them. There are also high expectations that adhering to the Code will lead to sustainable benefits for the economy, the environment and society.**

We remain advocates of the code's objective to promote transparency, disclosure and accountability and agree with the FRC that no one size fits all. We therefore welcomed the recent consultation and hope that the revised framework proves to be both practical and proportionate for firms of all sizes and structures and that it continues to drive improvements in stewardship practices, whilst maintaining strong accountability.

In preparing this report, we continue to reflect on our history and culture; the progress we have made to date as stewards of our clients' capital; our plans to further raise our standards; and our ongoing ambitions to support the drive towards achieving sustainable outcomes on a broader scale.

With more than a quarter-century of history behind us, our long-term perspective remains unchanged; we continue to believe there is an alignment between delivering our clients' investment goals and investing in businesses that are adapting to rising regulatory standards and broader sustainability expectations, particularly when investing over a time horizon such as ours, that stretches over decades rather than just quarters or years. The resultant long-term partnerships that we build with investee companies form the cornerstone of our approach to stewardship. This means we must remain responsive to the evolving landscape – whether through shifts in

regulation, stakeholder expectations, or the material sustainability risks and opportunities shaping markets today.

Our ESG Committee (of which I am Chair) is firmly embedded in our governance structure and has been instrumental in ensuring that we remain abreast of regulation, continue to meet our clients' expectations and encourage the work and ambitions of our portfolio companies.

As fiduciaries, we regard stewardship not as a box-ticking obligation, but as a core component of our investment philosophy. Indeed, a number of LTL's Directors contributed to the materials in this Stewardship Report. The Board considers the report to provide a fair and balanced view of our approach to stewardship and responsible investment.

Our approach is straightforward: we seek to allocate capital to businesses capable of enduring, adapting and compounding over the long term. This report explains how we put these principles into practice, outlining our engagement and voting activity, as well as the evolution of our stewardship priorities in pursuit of improved outcomes for our investors.

*Nick Train*

Nick Train (Apr 29, 2026 10:12:45 GMT+1)

## **Nick Train, Chair**

On behalf of the board of Lindsell Train Limited.  
All data in this report is as at 31<sup>st</sup> December 2025.

## A. DESCRIBE YOUR ORGANISATION, YOUR INVESTMENT BELIEFS, YOUR CLIENTS OR BENEFICIARIES AND HOW THAT INFORMS YOUR APPROACH TO STEWARDSHIP.

**Lindsell Train is an investment company that specialises in the management of Global, UK, International (EAFE), Japanese and North American equity portfolios.**

The company was founded in 2000 with the premise that keeping corporate complexity, including hierarchy, to a minimum would foster an optimal environment for fundamental research, high-conviction portfolio management, and long-term performance and stewardship outcomes for clients.

As such, Lindsell Train continues to maintain a small and simple organisational structure.

Furthermore, our independence – with our founders and employees maintaining majority ownership – ensures we can continue to prioritise the integrity of these principles on which the company was founded. We believe our disciplined application of our business and investment principles is ultimately what underpins our ability to meet the diverse needs and objectives of our clients and progress our stewardship goals over the longer term.

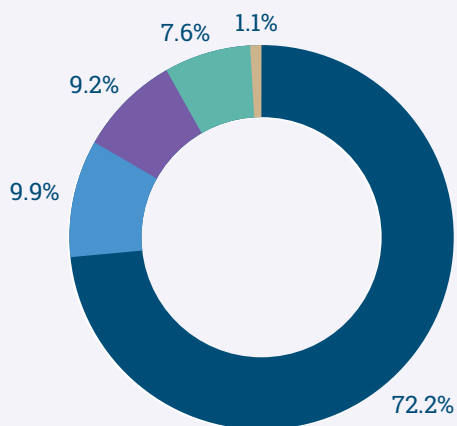
A long-term focus is embedded in everything that we do:

- **Our investment philosophy, which emphasises protecting and growing the real value of our clients' capital over the long-term by investing in companies that are truly durable;**
- **Continuity of our external shareholder relationship with the Lindsell Train Investment Trust, which has supported the business since its establishment, and which is important as both a long-term partner and advisor; and**
- **Our recruitment policy, a key element of which is to seek out individuals who we hope will build their entire career at Lindsell Train.**

Lindsell Train’s investor base is institutional in nature. Therefore, the clients to whom Lindsell Train provides investment management services are generally other financial entities such as pension schemes, foundations, investment trusts and regulated pooled vehicles. We have provided a breakdown of our assets under management (AUM) by both client type and geography in the pie charts below.

We do not deal directly with private retail investors as all of our clients through the wholesale channel are advised or intermediated by a financial advisor and/or investment platform. Indeed, together, platforms, IFA/wealth managers and private individuals (our ‘wholesale business’) make up half of our total AUM.

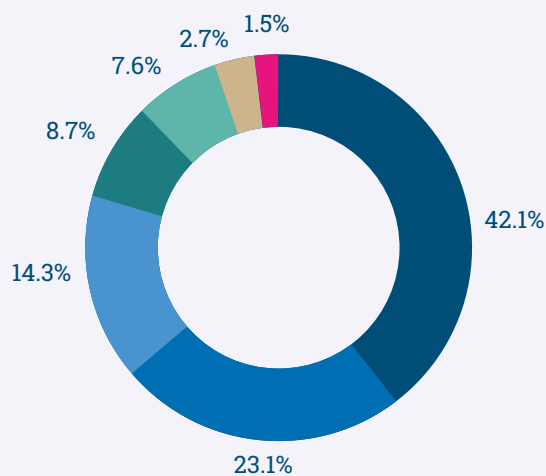
**AUM by client location, 31 December 2025**



- UK
- North America
- Europe ex UK
- South Africa
- Rest of World\*

**\*Includes:** Isle of Man, Asia Pacific, Channel Islands, Middle East, South America and British Virgin Islands. This data looks through to the underlying clients in our pooled vehicles.

**AUM by client type, 31 December 2025**



- Platform
- Pension
- Investment Trust
- Foundations & Endowments
- Wealth Manager
- Multi Manager
- Other\*\*

\*\* Family Offices & HNW, Nominee, Not-for-profit and Insurance.

## OUR PURPOSE & CULTURE

The 'purpose' of Lindsell Train is to achieve strong long-term investment results for our clients whilst providing a professional working environment. Underpinning this purpose is an investment-led culture, that is:

**Practical** – fostered through our simple organisational structure which promotes both independence of thought and effective teamwork.

**Entrepreneurial** – entrusts individuals to take initiative and trust in each other's decisions in a collegiate and flexible working environment.

**Collaborative** – this requires maintaining an open, honest and approachable environment where all individuals can contribute, learn and develop.

The relatively small number of staff, operating within a flat structure, allows this culture to promote hard work, and strong employee camaraderie, giving us the best chance of achieving our purpose.

## OUR PRINCIPLES AND VALUES

Our firm was founded with three business principles, which remain in place today:

- To invest client capital as we would invest our own
- To align our interests with those of our clients
- To take the long view on investment performance and business development

We invest alongside our clients. Underlining strong alignment of interests, our Portfolio Managers continue to invest substantially in Lindsell Train equity and managed funds. Furthermore, more than a third of total employees own equity in the business.

Adopting a long-term perspective in business development involves engaging with investors who appreciate our patient investment approach, aligning with their long-term objectives. This entails careful market and distribution channel selection

globally, while assessing regulatory, compliance, operational, and client service factors. Our business principles are based on our values of integrity, steadfastness and transparency. Our values are embedded throughout our business and extend to our relationships with employees, shareholders, clients and third parties.

- **Integrity** – We are committed to doing business to the highest standards of integrity.
- **Steadfastness** – We have always followed a well-defined approach of investing in exceptional companies for the longer term. This requires high conviction and patience through periods of market volatility, including macroeconomic, regulatory and geopolitical uncertainty.
- **Transparency** – We communicate internally and externally with honesty, realism and respect.

## OUR VISION AND STRATEGY

The company's strategic mission is to consistently meet our clients' expectations. This relates not only to the achievement of strong long-term investment results but also to fulfilling our clients' wider requirements, which have increasingly focused on responsible investing. We look to build strong and positive relationships by providing professional, responsive and friendly client service. We look to partner with clients who fully understand and embrace a long-term, high conviction investment approach and with whom we expect to maintain a fruitful partnership over many years. Effective teamwork, encouraged and promoted by senior management, underpins both investment and business management.

We recognise that in recent years, we have not met our clients' expectations in terms of delivering relative outperformance. We hope however that through this volatile period our commitment and consistency to our investment approach, which has served investors well over the longer term, together with the clear explanations of the drivers of our returns, has been communicated effectively by our Investment Team to all our stakeholders to help inform their decisions.

## OUR INVESTMENT APPROACH

### **How do we look to achieve our investment objective of preserving and growing the real purchasing power of our clients' assets over the long-term?**

At the heart of our approach is a conviction that inefficiencies exist in the valuation of 'exceptional' companies. Specifically, we note that durable, cash generative franchises are not only rare but also appear to us to be undervalued by other investors for most of the time. We invest in such 'exceptional' companies with the expectation of holding them for the very long-term. It is the resultant long-term partnerships that we build with portfolio companies that form the cornerstone of our approach to responsible investing.

Our truly strategic time horizon means we must be continually alert to all relevant long-term issues, with the objective of pre-empting risk and enhancing returns. Hence the consideration of all Environmental, Social and Governance ("ESG") factors which might affect our companies has always been central to our investment approach. Indeed, we have historically found that these 'exceptional' companies tend to exhibit characteristics associated with good corporate governance and responsible business practices. Furthermore, we believe that companies which observe such standards, and that are serious in their intention of addressing environmental and social factors, will not only become more durable, but will likely prove to be superior investments over time.

Our experience and research tell us that 'exceptional' companies are found only in a limited number of sectors, which means that many sectors are never (or rarely) represented in our portfolios. For example,

we do not invest in capital intensive manufacturing industries or any companies involved in the extraction and production of coal, oil or natural gas. We also avoid industries that we judge to be sufficiently detrimental to society that they may be exposed to burdensome regulation or litigation that could impinge on financial returns (e.g. tobacco, gambling or arms manufacturers).

Furthermore, through our engagement strategy, we increasingly seek to encourage and support our companies to meet their own ESG commitments with the aim of improving standards and enhancing returns. Thus our evaluation of ESG factors is a natural part of our investment process and the exercise of our stewardship responsibilities is integral to our research process.

## ESG STRATEGY AND OUTCOMES

We believe that our commitment to responsible investing through long-term partnerships with our portfolio companies is well understood and valued by our clients. We are therefore committed to our approach to stewardship and active ownership, including integration, engagement and proxy voting.

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Ultimately failure to apply high ESG standards presents a real risk of the permanent loss of our client's capital and, accordingly, our job is to hold our companies to a high ESG standard. That way we work to ensure we observe Warren Buffett's #1 rule – don't lose money!

”

**Nick Train,**  
Portfolio Manager

Over recent years, we have improved existing policies, reviewed and responded to upcoming regulation, reflected on the appropriateness of our governance structures and worked with our clients and consultant partners to understand how we can serve their best interests.

Whilst we have made substantial progress, we have plenty on the agenda for the future. Most notably, we will continue supporting our commitment to the abolishment of modern slavery, as well as enacting further progress towards our net zero goals.

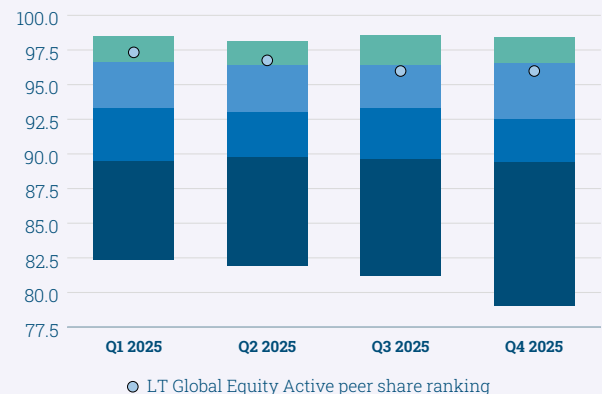
## ASSESSING OUR VALUE

In order to assess the effectiveness of our investment principles and stewardship priorities, we monitor four objective and quantifiable metrics versus the market and industry peers:

- Carbon Footprint** – Our Global and UK equity strategies are our largest, with total strategy assets representing the vast majority of our total firm’s assets under management (AUM). Each strategy’s carbon footprint has consistently been less than that of the applicable market index since inception.
- Downside Market Capture** – Given our focus on quality, durable businesses for the truly long term, our clients’ expectations are that our portfolios should be more resilient during periods of market contractions. For the 10 years to the end of December 2025, our Global Equity Strategy’s downside market capture is ranked within the top quartile of peers in eVestment’s All Cap Global Equity Value, Growth and Core Universes. Over the same time period, our UK equity Strategy’s downside market capture is ranked within the first percentile of eVestment’s All Cap UK Equity Value, Growth and Core Universes.
- Active Peer Share** – A high active peer share indicates that a manager’s holdings deviate significantly from that of the average manager in

the universe. We feel our clients’ interests are best served in the long-term by remaining consistent with our investment principles, i.e. an emphasis on companies with heritage and enduring quality, portfolio concentration and uniquely low portfolio turnover, which generates a highly differentiated approach to the index and peers. To evidence this, our strategies’ active peer share rankings are high irrespective of which eVestment Global peer universe is referenced. The chart below shows our flagship Global Equity Fund’s active peer share rankings for each of the four quarters of 2025.

**Active Share vs. eVestment Peer Alpha Universe**

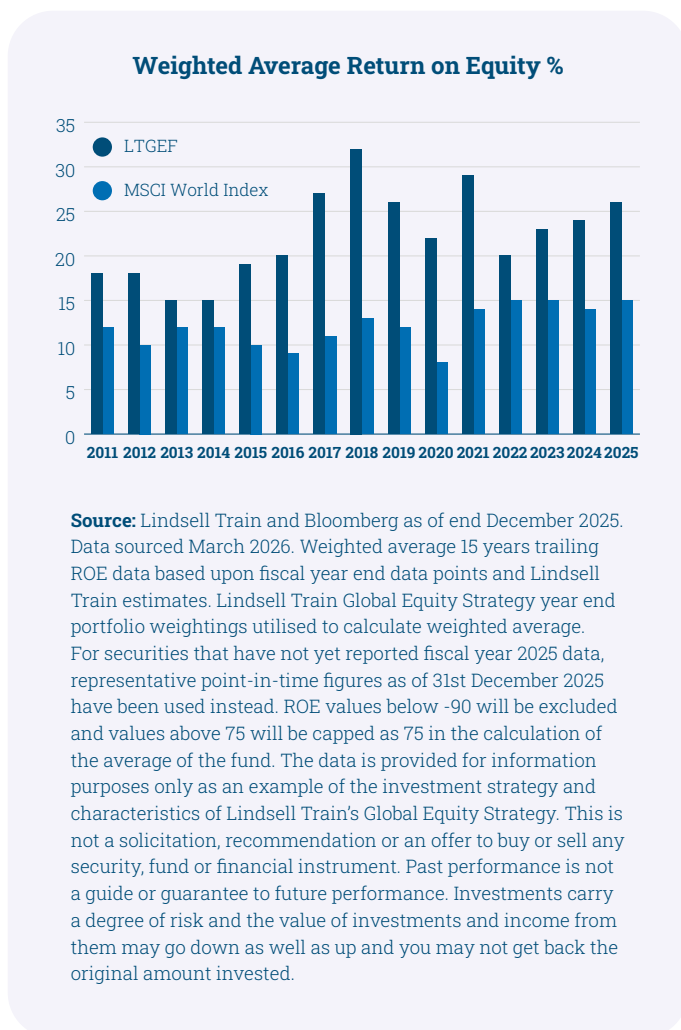


**Source:** eVestment Analytics; Lindsell Train Global Equity Active Peer Share rankings vs. eVestment All Cap Global Value Equity Manager Universe. Shaded areas represent quartiles. Lindsell Train is ranked top quartile for all four quarters.

**Return on Equity (ROE)** – Fundamental to our investment principles and approach is our search for high quality companies with durable business characteristics, a low capital intensity, a record of prudent capital allocation and, crucially, a consistently higher than average return on equity. A combination of these factors should ensure that wealth retained within the company can compound over time, building long-term value and supporting better than average share price performance.

We have been able to deliver good long-term investment returns for our clients, a commitment to investing responsibly and also, we hope, the level of service that our clients require. However, like our expectations of the companies in which we invest, our clients' expectations of us are constantly evolving and rightly so. There is always more work to be done.

2011–2025	Lindsell Train Global Equity Fund ("GEF")	MSCI World Index
15yr mean weighted average ROE	26%	15%



## B. DESCRIBE HOW YOUR RESOURCES ENABLE EFFECTIVE STEWARDSHIP.

**Lindsell Train's stewardship approach is supported by a deliberately simple organisational structure and proportionate resourcing, reflecting the firm's long-standing focus on keeping corporate complexity to a minimum.**

This independent and simple organisational structure, combined with a robust governance model, form the foundation of our approach to effective stewardship of our clients' assets. Stewardship is a core component of our approach and is integrated across all business activities, including investment where active ownership forms an important part of our process.

Stewardship activities are prioritised within the Investment Team's day-to-day responsibilities, ensuring that sufficient time and capacity are allocated to engagement with investee companies, and disciplined voting and escalation where appropriate.

We keep our stewardship resourcing under regular review to ensure it remains appropriate as the business, regulatory landscape and stewardship expectations evolve.

### GOVERNANCE

Lindsell Train's Board of Directors has overall responsibility for the governance of the firm, including oversight of stewardship activities. This includes assuring processes and policies and assessing the effectiveness of our activities, including those relating to stewardship. Stewardship and ESG matters are regular agenda items at Board meetings, reflecting their importance to the firm's long-term approach.

In addition to the **Board of Directors**, and to facilitate the day to day running and oversight of Lindsell Train's regulated investment business, there is a **Management Committee**. The purpose of the Management Committee is to ensure the proper execution of the company's business strategy, as agreed by the Board of Directors. ESG is a standing agenda item at Management Committee meetings. The Management Committee therefore plays an important role in ensuring that stewardship priorities are appropriately resourced and effectively implemented across the business.

In addition, an **ESG Committee** ensures the clear definition of our ESG strategy and how this is put into practice, as well as to oversee the identification and mitigation of risks relating to ESG. The ESG Committee is also responsible for ensuring that as a business we monitor the sustainability of our operations. The ESG Committee supports the Board in defining the firm's ESG and stewardship priorities, overseeing their implementation across the business, and monitoring ESG-related risks and opportunities. Responsibility for stewardship delivery remains closely aligned with the Investment Team.

Further governance structures at Lindsell Train include the **Risk and Compliance Committee** and the **Valuation Committee**. We have summarised these committees within the table below.

The aforementioned committees were formed to manage all aspects of the firm's investment, distribution, administration, and control oversight functions as well as to encourage the sharing of knowledge and ideas across the various business functions at Lindsell Train.

## All Committees as of 31<sup>st</sup> December 2025.

These governance structures support the effective oversight and resourcing of stewardship activities, with clear accountability across ESG, risk and operational functions.

### Executive Directors:

Nick Train (Chair), founder and Portfolio Manager;  
Michael Lindsell (CEO), founder and Portfolio Manager;  
James Bullock, Portfolio Manager;  
Jessica Cameron, Head of Marketing and Client Service;  
Joss Saunders, Chief Operating Officer;  
Michael Lim, IT and Company Secretarial

### Non-executive Directors:

Rory Landman  
Jane Orr  
Julian Bartlett

Responsible for:

- Setting the strategy of the firm
- Establishing and maintaining a robust internal control framework
- Ensuring compliance with all applicable legal and regulatory requirements.

ESG is a regular agenda item at meetings of the Board, underlining the importance with which we view ESG and sustainability from a corporate perspective.

**Frequency of meetings:** At least three times per year

### Management Committee

Michael Lindsell (Chair), founder and Portfolio Manager;  
James Bullock, Portfolio Manager;  
Jessica Cameron, Head of Marketing & Client Service;  
Joss Saunders, Chief Operating Officer  
Mathew McNeill, Chief Risk & Compliance Officer

Responsible for managing the day-to-day activities of the company through implementing appropriate operational initiatives to meet the strategic plan set by the Board.

The responsibilities of the Committee include, but are not limited to; strategic planning, operational planning, policy and decision making, and oversight of the relevant LTL business functions.

**Frequency of meetings:** At least quarterly

### Risk and Compliance Committee

Julian Bartlett (Chair), Non-executive Director;  
Mathew McNeill, Chief Risk & Compliance Officer;  
Michael Lim, IT and Company Secretarial

Responsible for advising the Board on the establishment, implementation, and ongoing maintenance of effective risk management and compliance policies and procedures.

The RCC's mandate covers oversight of all risk and compliance matters affecting LTL, including but not limited to:

- Identifying, managing, and monitoring both existing and emerging risks;
- Ensuring alignment between LTL's residual risk profile and its defined risk appetite;
- Overseeing the firm's risk-based compliance monitoring program; and
- Assessing the adequacy of systems and controls designed to ensure the firm and its employees comply with all applicable regulatory requirements.

**Frequency of meetings:** At least twice per year

### ESG Committee

Nick Train (Chair), founder and Portfolio Manager;  
Azjin Ali, Responsible Investment Lead;  
Jessica Cameron, Head of Marketing & Client Service;  
Mathew McNeill, Chief Risk & Compliance Officer;  
Madeline Wright, Portfolio Manager & Head of Investment ESG

The ESG Committee supports the Board in defining the Company's strategy relating to ESG matters and in reviewing the practices and initiatives of LTL relating to ESG matters, ensuring they remain effective, up to date and in line with relevant regulation.

Responsibilities include but are not limited to:

- Overseeing the establishment of policies and procedures and their effective implementation, and to monitor and review their ongoing relevance, effectiveness, and further development, e.g. The Responsible Investment and Engagement Policy.
- To work with the RCC to oversee the identification and mitigation of risks relating to ESG and to identify opportunities related to ESG matters.

**Frequency of meetings:** At least twice per year

### Valuation Committee

Joss Saunders, (Chair) Chief Operating Officer;  
Anh Hoang, Head of Operations;  
Mathew McNeill, Chief Risk & Compliance Officer;  
Michael Lim, IT and Company Secretarial

Responsible for overseeing compliance with the Company's valuation policies.

The Committee advises the Board on the establishment, implementation, and maintenance of valuation policies and procedures.

**Frequency of meetings:** At least twice per year

Our business decisions support our aim to keep complexity to a minimum. Our business model and approach to capacity management are designed to ensure that investment and stewardship activities remain manageable and aligned with long-term ownership.

Lindsell Train's independence means that all business decisions are made with the long-term interests of our employees and our clients in mind. For example, we do not have (and have never had) 'targets' with regards to raising assets and we are careful in our approach to developing new client bases by type or geography. This ensures that we do not over-stretch our resources; in particular we need to carefully manage the time that our Portfolio Managers spend on activities not directly related to investment. Furthermore, a disciplined approach supports effective stewardship by ensuring appropriate time and attention is allocated to engagement, monitoring and voting activities.

We look to partner with clients who fully understand and embrace a long-term, high conviction investment approach and where we expect to maintain a fruitful partnership over many years. We are also careful to prioritise projects that are meaningful to clients and to the success of our business.

## RESOURCE

We believe that our ESG objectives will be better achieved if all staff are fully aware of them and understand their importance in the proper execution of their role. Hence Lindsell Train continues with its decision to integrate ESG across our business. This also reflects on the nature of the organisation and the attitude and aptitude of our staff, who need to be able to embrace variety in their roles. ESG integration within our investment process is led by the Lindsell Train Investment Team, and we provide more detail on how this is achieved below.

Azjin Ali, Responsible Investment Lead, steers and supports us in our efforts to meet the rising industry standards and obligations on our firm.

Azjin's primary responsibilities include supporting Lindsell Train's ESG-related client and regulatory reporting and data management responsibilities.

In addition, Azjin supports our investment integration and engagement endeavours, collaborating with the ESG Committee and all members of the investment team. Our Portfolio Managers remain responsible for researching, investing in, monitoring, and engaging with companies that fulfil our ESG-related investment criteria.

## INVESTMENT

Madeline Wright (Portfolio Manager and Head of Investment ESG) is responsible for coordinating the Investment Team's ESG endeavours. However, given that responsible investing is and has always been a natural part of our investment approach, we think it most appropriate that all six Investment Team members take shared responsibility for ensuring that ESG is integrated throughout the investment process. With our concentrated approach and relatively small number of strategies we are typically invested in around 90 investee companies across all four of our strategies at any time. As a result, our Investment Team is able to dedicate appropriate time and capacity to regular engagement with portfolio companies, including on pressing stewardship topics.

Within the Investment Team, ultimate oversight and decision making (including voting decisions) lies with the Portfolio Managers, who have extensive experience in deploying our long-term investment approach. Their combined multi-decade experience includes the assessment of various risks and opportunities (many of which are now formally recognised as ESG related) that may influence a company's long-term prospects, as well as the engagement on such topics with company management.

## Lindsell Train Investment Team

Name	Responsibility	Years in Industry	Years at LT
Michael Lindsell	Co-Founder, Portfolio Manager	44	25
Nick Train	Co-Founder, Portfolio Manager	45	25
James Bullock	Portfolio Manager	15	15
Madeline Wright	Portfolio Manager & Head of Investment ESG	13	13
Alexander Windsor-Clive	Portfolio Manager	10	10
Ben van Leeuwen	Portfolio Manager	7	7

## OVERSIGHT

Key individuals involved in the oversight of ESG at Lindsell Train are senior members of staff who are either Certified Persons or Senior Managers under the Financial Conduct Authority's (FCA) Senior Managers & Certification Regime (SMCR). They bring to the table a wide variety of experience and expertise, having in most cases enjoyed multi-decade careers in investment management.

The strides we have made to date in the area of ESG have been a result of individuals rising to the challenge, recognising both the magnitude of ESG as a business risk and an opportunity. More generally, attributes we look for in our staff include: the desire to embrace our culture and working environment; the ability to work independently as well as to understand the wider team requirements; self-motivation; curiosity; analytical skills; and ability to think outside the box.

## TRAINING

We conduct regular (at least annual) ESG training for relevant staff, including all members of the Investment Team and ESG Committee, to support the effective integration of stewardship considerations across the business. The sessions are held to remind Lindsell Train staff about the key principles of responsible investing, to update them on industry and regulatory developments, to confirm how Lindsell Train integrates such principles into our investment process and business strategy, and to discuss milestones achieved and future priorities.

Training content is reviewed periodically to ensure continued relevance to the firm's investment approach, stewardship priorities and regulatory environment. In addition to these in-person sessions, we deliver annual online ESG training to all staff using an online training solution, Skillcast. The course covers topics such as the importance of ESG in the wider world, how ESG issues relate to the financial services sectors, how to identify ESG issues facing our organisation and how to support ESG initiatives within the business.

## INCENTIVES

Our remuneration arrangements take into account sound and effective risk management, do not encourage excessive risk taking and are in line with our business strategy, objectives, values and the interests of shareholders and clients.

We seek to pay competitive rates of fixed salary remuneration, supplemented by discretionary bonuses when appropriate to reflect the company's success and to reward individual and team contributions. Importantly we do not reward on the basis of short-term targets. Discretionary bonus payments recognise an employee's contribution to the overall business, including supporting the culture and values of our company, and their overall job performance (taking into consideration both qualitative and quantitative measures) and are subject to the employee's compliance with Lindsell Train's internal policies and procedures. Given the significant and growing importance of ESG in the investment industry and to the future of our business, management take into account all work that

has contributed to our efforts in this area. Furthermore, for key employees there is also the opportunity to acquire shares in Lindsell Train Limited as well as the opportunity to share in the profit of the company through a dedicated profit share scheme. The ownership of equity in our company encourages those employees who are shareholders to take a more strategic view on their careers at Lindsell Train, and moves to align their long-term interests with those of our clients.

These remuneration arrangements are designed to support long-term value creation and effective stewardship by aligning employee incentives with the firm's investment philosophy, risk framework and stewardship responsibilities.

In summary, we believe that Lindsell Train has a robust governance structure, rigorous processes and appropriate resources given the size and nature of our business. We try our best to look ahead and endeavor to adequately resource our company in order to continue to provide a service to our clients of which we can be proud. Critically, we also have the ability to recognise where we might not have the appropriate skills in-house and in these instances we

are prepared to work with professional providers who offer exceptional services in their areas of expertise. However, responsibility for stewardship activities and related decision-making remains with Lindsell Train.

## EQUAL OPPORTUNITY, DIVERSITY AND INCLUSION

Lindsell Train believes that an inclusive working environment supports robust decision-making and a culture aligned with effective stewardship. We continue on our path to enhancing Lindsell Train's attraction as a place to work for both existing and future employees.

Lindsell Train continues to operate flexible working practices as we believe that, as long as we can continue to fully meet our clients' expectations, offering more flexibility should mean more engaged, fulfilled and happy staff. When recruiting staff, we have worked hard to ensure that the pool of candidates is as diverse as possible, by advertising roles and engaging with dedicated organisations such as GAIN (Girls Are INvestors) and social mobility charity,

## CASE STUDY



Lindsell Train is proud to have a partnership with UpReach, an award-winning social mobility charity. UpReach has a mission to support undergraduates from lower socio-economic backgrounds to access and sustain top graduate jobs. UpReach is driven by a vision of a society in which everybody has an equal opportunity to realise their full career potential regardless of social background.

Each year we host our internship experience, comprised of a day in our offices followed by a mandatory four-day virtual research project. The internship is aimed at university students considering a career in Investment Management. The day of presentations in our office aims to provide an overview of the asset management industry, including its positive role within the wider finance industry, as well as an introduction to Lindsell Train, whilst the four-day project seeks to immerse candidates in the role of a research analyst. Having received very positive feedback, we have committed to continue this important event with UpReach.

## DATA & RESEARCH PROVIDERS

All ESG research conducted by the team is catalogued via a proprietary database of risk factors. Like all our company analysis, this research is bottom-up and sourced from published reports and accounts, together with other publicly available information and meetings with management. The database helps us to centralise and codify our team's views, as well as to prioritise our ongoing research and engagement work. Importantly, however, the extensive research conducted to identify the ESG risks posed at a stock-specific level is our own and we do not external research providers.

We do not subscribe to any specific ESG data for our portfolios, and, in general, we seldom use external (including broker) research. In some cases we engage with industry experts to gain a better understanding of a particular sector or industry and such research may include RI/ESG related information.

We are fortunate that collating data is significantly simplified by the fact that across all our portfolios we invest in a total of around 90 holdings. This has enabled us to directly source meaningful data, which the team can then easily and holistically integrate into their ongoing due diligence of each company. Most often this data is found in the company's annual report or a designated sustainability report. Where information is not available, we have written to management requesting that they endeavour to publish this essential information going forward. In the meantime, we rely on estimates and assumptions from third-party data providers such as Bloomberg.

Whilst our focus is on directly sourcing ESG data, we are exploring whether artificial intelligence can aid in improving these processes further.



## PROXY VOTING

Glass Lewis has been appointed as independent proxy voting agent to support the voting process. However, it is important to stress that the Portfolio Managers maintain decision making responsibility, which is based on their detailed knowledge of the companies in which we invest.

Glass Lewis assists in the voting of proxies, coordinating with clients' custodians and Broadridge Proxy Edge ("Proxy Edge Platform") to ensure that all proxy voting details, and information received relating to the clients' portfolio securities are processed in advance of the relevant deadline. Where we have received authority to exercise voting rights from clients, we will vote in accordance with our own predetermined approved voting guidelines. Lindsell Train's voting guidelines state that we will typically, but not always, vote in line with the company's management. Our voting guidelines are reviewed by the Portfolio Managers at least annually.

These controls ensure that proxy voting activities are conducted in line with our voting policy and stewardship objectives.

Lindsell Train does not use artificial intelligence to make voting or investment decisions; all voting decisions are subject to human judgment and internal oversight.

## C. DESCRIBE YOUR STEWARDSHIP POLICIES AND PROCESSES, AND HOW YOU REVIEW THEM.

**The Lindsell Train Board of Directors has overall responsibility for assuring processes and policies and assessing the overall effectiveness of our activities, including those relating to stewardship. To further support the Board of Directors, Lindsell Train manages its business with the oversight of a Management Committee, a Risk and Compliance Committee, an ESG Committee and a Valuation Committee (refer to page 11).**

The ESG Committee has overall responsibility for our stewardship activities, including ensuring their continuous improvement. This includes reviewing the ongoing relevance and effectiveness of stewardship-related policies and processes and identifying where enhancements may be required.

Industry developments, regulatory responsibilities and any risks or opportunities relating to stewardship (including our company engagement activity) will be discussed in ESG Committee meetings, with the objective of ensuring our stewardship activities are proving effective.

Lindsell Train's policies provide a robust and transparent framework that underpins and strengthens our approach to effective stewardship. Key documents include our Responsible Investment & Engagement Policy (which incorporates our engagement framework), the Proxy Voting Policy, and the Equal Opportunity, Diversity & Inclusion Statement. Oversight and ownership of these policies sit with the ESG Committee, ensuring accountability and consistent implementation across the firm. The ESG Committee is also responsible for monitoring and reviewing each for their ongoing relevance, effectiveness, and further development, if required. All three are reviewed at least annually and are published on our website [here](#).

### RESPONSIBLE INVESTMENT & ENGAGEMENT POLICY

The principal policy that relates to our stewardship activities is our Responsible Investment & Engagement Policy. Over recent years, the Policy has evolved to enhance the effectiveness of our stewardship activities, including the increased prioritisation of climate and social risks, with particular emphasis on modern slavery. The update introduced a dedicated section highlighting the importance of engagement on ethical supply chains across our portfolio companies, and this focus subsequently informed the development of our Engagement Framework. Similarly, our Proxy Voting Policy has evolved to ensure alignment with our broader ESG commitments, including initiatives such as Find It, Fix It, Prevent It, the CCLA-backed programme addressing modern slavery in supply chains.

Given the size and structure of Lindsell Train, we do not maintain an internal audit function. However, we have established a range of internal control processes and oversight frameworks designed to support effective risk management and to ensure adherence to our policies and procedures.

### RISK MANAGEMENT FRAMEWORK

The Risk and Compliance Committee (RCC) oversees the risk management processes of Lindsell Train's business and the adequacy and effectiveness of its risk controls, including those relating to stewardship.

The Risk function works closely with each business unit to design and implement suitable risk management systems and controls. The company maintains a corporate risk register that includes ESG

risks proposed by the ESG Committee. The corporate risk register is reviewed by the Risk and Compliance Committee at each meeting, with the Chair of the committee reporting to the Board on a periodic basis (at least twice a year). The Chair can also escalate concerns to the Board outside of the periodic meeting, as felt necessary. A business risk assessment is produced annually by the Risk function as part of the ICARA report and is reviewed by the Board. The company's MiFIDPRU Public Disclosures are available on our website [here](#).

## COMPLIANCE MONITORING

The Risk and Compliance Committee also oversees the ongoing operations of our internal controls to ensure the effectiveness of the company's compliance arrangements are consistent with, and proportionate to, the risks posed by its regulated activities. The Compliance Team reviews the firm's Conflicts of Interest Policy at least annually, with subsequent approval by the RRC, and the accompanying register, including the associated controls, monthly.

The compliance monitoring programme has been developed and maintained to provide oversight, on behalf of the Board, and to ensure that all relevant policies and procedures are adhered to, and also to help prevent and detect compliance breaches. The company's compliance monitoring programme is risk based and tests are performed on a daily, weekly, monthly, quarterly, semi-annual and annual basis depending on the level and nature of risks identified.

In addition to the monitoring programme carried out by Lindsell Train's Compliance Team, the effectiveness of the company's compliance systems and records are also independently reviewed by ACA Compliance, an external compliance consultancy firm.

## PROXY VOTING

Our Proxy Voting Policy sets out how we exercise voting rights on behalf of clients to protect and enhance long-term shareholder value. Voting is an integral part of our investment process, with

Portfolio Managers retaining full decision-making responsibility, supported by Glass Lewis as proxy voting agent. We generally vote in line with management where this aligns with shareholders' interests, but we will abstain or vote against proposals where we believe they may undermine long-term value, including on matters such as governance, remuneration, capital allocation or corporate strategy. Voting activity and any votes against management are reported to clients and disclosed publicly on a periodic basis.

We also consider environmental and social issues where they are material to long-term economic outcomes. We may support shareholder resolutions seeking improved disclosure or responsible business practices where proposals are reasonable and aligned with shareholder interests. Conflicts of interest are identified and managed in line with our governance framework.

## EXCLUSION POLICY

Whilst Lindsell Train does not make use of screens or exclusion lists, there are a number of sectors and industries that our philosophy steers us away from (negative tilts). Similarly, our focus on identifying durable, long-lasting franchises has steered us to invest in companies that play an important positive social or environmental role.

### **Negative tilt – tobacco**

Given our long-term investment horizon, we focus on companies capable of sustaining profitable growth over decades, which requires careful management of ESG risks. We therefore avoid industries we believe face structural societal, regulatory or litigation headwinds that could impair long-term returns. Tobacco is a clear example, where health-related risks and the threat of government intervention have long informed our decision not to invest in the sector.

### **Negative tilt – capital intensive industries**

Consistent with our investment philosophy, we favour capital-light businesses and avoid capital-intensive sectors such as automotive, telecommunications and fossil fuel extraction. This structural bias naturally

enhances the ESG profile of our portfolios and provides a built-in advantage as economies transition to lower-carbon models. As climate considerations move to the forefront of corporate agendas, we actively engage with management teams on issues such as sustainable sourcing, energy efficiency, water usage and supply chain resilience.

### **Positive tilt**

Our focus on identifying durable, long-lasting franchises has steered us to invest in companies that play an important positive social or environmental role. We believe that such positive benefits for society should be consistent with our aim to generate competitive long-term returns, thus helping us meet our clients' investment objectives. Furthermore, through our engagement strategy, we increasingly seek to encourage and support our companies to meet their own commitments with the aim of improving standards and enhancing returns.

## **CYBER SECURITY/AI POLICIES AND PROCESSES**

Our approach to technology governance is supported by both an internal AI Usage Policy and a comprehensive Cyber Security Policy. Over the coming months, we are looking to integrate AI into our ESG and stewardship analysis; however, all outputs will remain subject to human oversight and professional judgement. We do not rely solely on AI for any aspect of our work, and ultimate responsibility for analysis, decision-making and client reporting rests entirely with our employees.

In parallel, we maintain a robust Cyber Security Policy designed to safeguard our information systems and protect non-public information from cyber security threats. Lindsell Train implements and maintains written policies, approved by senior management, to protect information systems and sensitive data. Responsibility for implementation is delegated to our Head of Technology, who works closely with the Chief Operating Officer ("COO"), business units and external IT service providers to design and maintain appropriate safeguards and controls across our IT infrastructure. Our Head of Technology reports periodically, and at least annually, to the Management Committee, Risk and Compliance Committee and the Board on the cyber security programme, related policies and any material cyber security risks.

## D. DESCRIBE HOW YOU MANAGE STEWARDSHIP-RELATED CONFLICTS OF INTEREST TO PUT THE BEST INTERESTS OF CLIENTS AND BENEFICIARIES FIRST

In the course of undertaking our investment management services, and factoring in our relationship with investee companies, stakeholders, clients and other interested parties, it is inevitable that there are occasions when potential conflicts of interests might arise. Our core values of integrity and transparency support our regulatory obligation to identify and manage such potential conflicts. Our Conflicts of Interest policy, to which all staff members must adhere, can be found on our website [here](#).

**We have taken appropriate measures to identify, prevent and manage conflicts of interest. Where a potential conflict is identified, we will seek to organise our business activities and arrangements in a manner so as to prevent the crystallisation of the conflict. This may include the appropriate segregation of functions and business lines such that a level of independence will mitigate the potential for conflict, as well as ensuring appropriate policies and staff training are in place.**

Whilst we will take all reasonable steps to avoid conflicts of interest arising, we recognise that it will not always be possible to do so. Where necessary, we will clearly disclose in writing the details of the conflict to the client before providing any services to that client. Disclosure in and of itself is not deemed by us to mitigate a potential conflict and our senior management will take all reasonable steps available to manage the conflict.

Our clients' best interests are of paramount importance to us, therefore if it is determined

that we are unable to manage a conflict of interest, we will decline to act on behalf of the client concerned. Underpinning our conflicts of interest policy is our procedure for managing conflicts which is summarised below:

- **Conflict identification:** All staff are provided with training to ensure they are equipped to identify and manage potential conflicts of interest, including those related to investment decision making, proxy voting and company engagement. Training material is updated periodically and where there is a material change to our Conflicts of Interests Policy it is mandatory for employees to attest that they understand and will comply with the requirements of the updated policy.

The Compliance Team works in conjunction with the Management Committee to assess whether any new conflicts arise as a result of business and product developments.

- **Assessment:** Where a potential conflict is identified, this will be raised with the Compliance Team who will lead a discussion with the relevant staff member(s) to determine the appropriate procedures and controls necessary to manage the conflict. From a stewardship perspective the aim is always to protect the independence of the decision-making process around stock selection, proxy voting and engagement. Where the view of the Chief Compliance Officer is that the conflict of interest cannot be adequately managed, the matter will be escalated to our Management Committee for discussion regarding how best to resolve/conclude.

- **Record keeping:** The Compliance Team maintains a Conflicts Register which is a central record of all perceived and live conflicts of interest and the associated mitigating/management arrangements. Arrangements established to manage conflicts of interest are subject to review by the Compliance Team at set-up and on a periodic basis thereafter to test their effectiveness.
- **Board Oversight:** All conflicts of interests are reported to and reviewed by the Lindsell Train Board at least annually.

Lindsell Train’s Board, in conjunction with our Compliance Team and business unit heads, ultimately take responsibility for ensuring that our Conflicts of Interest Policy and Procedures are implemented appropriately and updated as necessary.

The Conflicts Register organises perceived conflicts into the following categories:

- Trading and Investment
- Pricing and Valuation
- Information Distribution and Disclosure
- Personnel
- Relationship

**Examples of potential conflicts of interest**

Conflict	How we manage the conflict
<p><b>Distribution relationships with portfolio companies</b></p> <p>Our investment strategy results in concentrated portfolios with potentially large stakes in portfolio companies. We can (and do) have product distribution relationships with certain portfolio companies which creates a risk that a conflict of interest may influence investment decisions, voting and/or company engagement.</p>	<p>We segregate decision making around stock selection, voting and engagement from the management of relationships with distributors. We also carefully assess where any matters on which we are required to exercise voting authority present a conflict and where a material conflict exists we will not vote.</p>
<p><b>Employees personally owning shares in portfolio companies</b></p> <p>Employees can have personal investments in the companies in which we are investing on behalf of clients, which means conflicts of interest could influence buy/sell decisions and/or voting and engagement activities.</p>	<p>All employees (which includes Portfolio Managers) must seek permission from Compliance for their personal securities transactions. Permission will not be given where a trade in the same security has been executed on behalf of a client in the prior ten days or where there is an open order for a client which is being worked on. Similarly, where the security is on our restricted stock list permission will not be granted. In addition, we apply a minimum holding period on all personal securities transactions of 30 calendar days. From a record keeping standpoint employees must ensure that details of their personal transactions and their holdings remain up to date. There is therefore full visibility of what our Portfolio Managers hold personally.</p>

**External business interests**

Employees who have external business interests (e.g. Directorships) may be influenced to act in a manner that conflicts with the interests of Lindsell Train or its clients. For example, Michael Lindsell is a Director of The Lindsell Train Investment Trust plc (LTIT). LTIT is a significant shareholder in Lindsell Train, invests in other Lindsell Train managed products and is responsible for the ongoing review and appointment of Lindsell Train as its Portfolio Manager.

Employees may not accept any external appointment or additional occupation without prior written approval from the Chief Compliance Officer. All employees must confirm their external business interests quarterly.

Michael Lindsell is precluded from being involved in LTIT Board decisions regarding the appointment of Lindsell Train as Portfolio Manager, and LTIT Board decisions regarding the Trust's investments in Lindsell Train or in products managed by Lindsell Train.

**Material non-public information obtained through company engagement**

Inside information could be used to influence investment decisions.

Lindsell Train has a strong preference not to be made an insider. However, through the course of our engagement activities we will voluntarily agree on occasion to be given inside information to aid our discussion with a portfolio (or potential portfolio) company's management or board.

We have strict protocols in place to manage situations where an employee is in receipt of inside information. We operate a 'one in all in policy' and therefore trading restrictions on all personal and client trading are implemented on a company wide basis by Compliance and remain in place until the information is made public.

**Segregated client investments in other Lindsell Train managed portfolios**

Clients which appoint Lindsell Train as their Portfolio Manager may have holdings in other vehicles which are also managed by Lindsell Train. This creates a potential conflict of interest insofar as it could be perceived that Lindsell Train has influence over investment decisions and voting matters related to these holdings. For example, The Lindsell Train Investment Trust plc (LTIT) has an investment in the WS Lindsell Train North American Equity Fund.

Lindsell Train is not permitted to make any investment decisions regarding holdings in other Lindsell Train managed vehicles.

The investment decision making authority resides with the investment trust's Board of Directors. The position is the same in regard to voting. Where an employee of Lindsell Train sits on the investment trust's board, they will recuse themselves from decision making regarding the holding.

We believe our framework continues to be effective for managing conflicts of interest. We will continue to review and adapt our approach to reflect any business and/or regulatory changes to ensure that our clients' interests continue to come first.

## E. DESCRIBE HOW YOU MAINTAIN A DIALOGUE WITH CLIENTS AND/OR BENEFICIARIES.

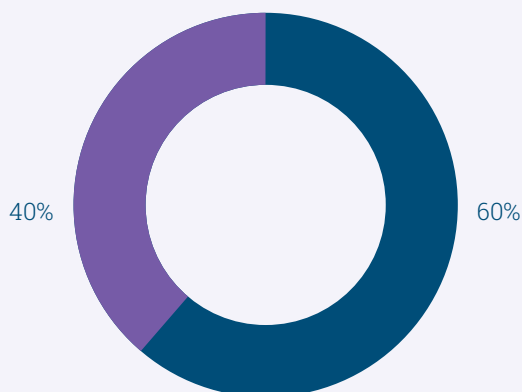
**Lindsell Train's investor base is institutional in nature. Therefore, the clients to whom Lindsell Train provides investment management services are generally other financial entities such as pension schemes, foundations, investment trusts and regulated pooled vehicles. We have provided a breakdown of our assets under management (AUM) by both client type and geography in Section A.**

We do not deal directly with private retail investors as the vast majority of our clients through the wholesale channel are advised or intermediated by a financial advisor and/or investment platform. Indeed, together, platforms, IFA/wealth managers and private individuals (our 'wholesale business') represent a significant proportion of our total AUM.

Given the breadth of our investor base, we seek to ensure that client reporting is clear, understandable and not misleading and our reports are prepared with retail investor communication in mind.

Reflecting our long-term high conviction approach to investment, we look to partner with clients over many years. To give ourselves the best chance to fulfil this aim it is imperative that our services continue to meet our clients' goals and expectations, both with regards to investment and client servicing. Our clients' views and objectives are sought generally through pre- funding calls with the clients themselves and/or their advisors or investment consultants.

**AUM by vehicle type, 31 December 2025**



● Separate Accounts    ● LT Pooled Funds\*

\*WS Lindsell Train UK Equity Fund, WS Lindsell Train North American Equity Fund, Lindsell Train Global Equity Fund, Lindsell Train Japanese Equity Fund and Lindsell Train Global Equity LLC.

**AUM by client type, 31 December 2025**



● Wholesale    ● Institutional

In most instances we have pre-existing relationships with these client intermediaries, which facilitates constructive dialogue and allows us to focus on the needs of our mutual prospects/clients.

We survey our clients on an annual basis as part of the registration process for our Annual Update client event. This feedback provides valuable insight and supports our understanding of our client preferences regarding the format and content of our client communications. We also engage with clients through bi-annual webinars and Q&A sessions with our portfolio manager, covering a wide range of topics.

Additionally, on an ongoing basis, client and consultant feedback and evaluation of our services, combined with the internal controls and procedures that we have in place, enables us to manage our clients' assets in alignment with both their investment and stewardship policies.

We make available a range of documents and marketing materials that serve to provide a comprehensive overview of how we approach the investment challenge as well as how we ensure investments and clients are safeguarded. There are also minimum disclosure documents, as prescribed by regulation, to ensure that investors fully understand the risks associated with the product in which they are investing.

We have a dedicated Marketing and Client Services team that prioritises client engagement and seeks to anticipate client requests. Decisions or discussions requiring senior management input or approval can be progressed efficiently because of our small organisational structure. We consider it important that clients have access to our Investment Team through direct meetings and communications written by the Investment Team, including reporting commentary and our 'Investment Insight' series. Such engagement supports a constructive two-way dialogue between the firm and its clients.

# Appendix I – Biographies

## INVESTMENT TEAM AND ESG COMMITTEE MEMBERS



### Michael Lindsell

#### Portfolio Manager

Michael co-founded Lindsell Train Limited in 2000 and is the firm's Chief Executive. He is the portfolio manager for Japanese equity portfolios and jointly manages Global equity portfolios. Michael has over 40 years' experience in investment management. Before founding Lindsell Train he spent seven years at GT Management, first as CIO in their Tokyo office, then in London with responsibility for all GT's global and international funds. Following the acquisition of GT by Invesco in 1998 he was appointed head of the combined global product team. His previous experience included working at Mercury Asset Management where he was director and head of Japanese fund management in London; at Scimitar Asset Management in Hong Kong where he ran Pacific and Japanese mandates; and at Lazard Brothers as an investment manager. Michael has a degree in Zoology from the University of Bristol.



### Nick Train

#### Portfolio Manager

Nick co-founded Lindsell Train Limited in 2000 and is the firm's Chairman. He is the portfolio manager for UK equity portfolios and jointly manages Global equity portfolios. Nick has over 40 years' experience in investment management. Before founding Lindsell Train he was head of Global Equities at M&G Investment Management, having joined there in 1998 as a director. Previously he spent 17 years at GT Management where his final role was as Chief Investment Officer for Pan-Europe, having built long investment track records in both UK and Global equities. Nick has a degree in Modern History from the University of Oxford.



### James Bullock

#### Portfolio Manager

James joined Lindsell Train in 2010 and is a portfolio manager. He has jointly managed global equity portfolios since 2015 and is responsible for the North American Equity Fund. He has a Masters degree in Physics from the University of Oxford and a doctorate in Zoology from the University of Cambridge.



## Madeline Wright

### Portfolio Manager

Madeline joined Lindsell Train in 2012 and was promoted to Portfolio Manager in 2019. Madeline has a degree in English Language and Literature from the University of Oxford and previously spent a semester as a visiting student at Yale University. After leaving Oxford, she studied in Japan for a year where she learnt to speak the language to a high standard.



## Alexander Windsor-Clive

### Portfolio Manager

Alexander joined Lindsell Train in 2016 and was promoted to Portfolio Manager in 2021. Alexander has a degree in History from the University of Bristol.



## Ben van Leeuwen

### Portfolio Manager

Ben joined Lindsell Train in 2019 and was promoted to Portfolio Manager in 2023. Ben has a degree in English Language and Literature from the University of Oxford.



## Jessica Cameron

### Head of Marketing & Client Services

Jessica joined Lindsell Train in 2018 and was appointed Head of Marketing & Client Services in February 2024. She has over 15 years' experience in the investment management field. Prior to joining Lindsell Train she worked at Longview Partners (2011 – 2018) within the Institutional Clients team and was also a board director for Longview's Luxembourg funds. She started her career in 2007 at BlackRock, where she worked as a product specialist on the London based Global Equity team and before that as a member of the Global Consultant Relations team. Jessica has a degree in Modern History from the University of St Andrews. She is an Investment Committee member of the University of St Andrews Investment & Treasury Assurance Group (ITAG), which is responsible for the University's endowment funds.



## Azjin Ali

### Responsible Investment Lead

Azjin Ali joined Lindsell Train in 2024 as Responsible Investment Lead. Prior to joining Lindsell Train, Azjin worked at Aon as an Associate Investment Consultant and Head of Biodiversity. Azjin was a core member of Aon's Responsible Investment team, focusing on climate and nature-related investment risk. Azjin joined Aon in 2019 as a Defined Contribution (DC) Investment Analyst. Azjin has a Masters degree in Civil and Structural Engineering from the University of Leeds and is fluent in Dutch and Kurdish.



## Mathew McNeill

### Chief Risk & Compliance Officer

Mathew joined Lindsell Train in 2020. He has over 18 years' experience in financial services, 13 of those in dedicated compliance roles. Prior to joining Lindsell Train, he worked for three years as an independent consultant in senior compliance roles with clients including Royal London Asset Management, Quilter, M&G Prudential and Merian Global Investors. He previously worked as a Compliance Manager with Vanguard Asset Management and in the Regulatory & Operational Risk Team at Aegon Asset Management. He started his compliance career in 2007 with Aberdeen Asset Management. Mathew has a degree in History and Politics from the University of Strathclyde.