

SASB Disclosure

2022

Veritas Investment Partners (UK)
Limited

Sustainability Accounting Standards Board (SASB) Disclosure

Data as at 31 December 2022



Overview of our business

Veritas Investment Partners (UK) Limited (VIP (UK) Ltd) is an investment firm with an office in London. We are independently owned by employees, aligning our business interests with clients' objectives. Discretionary investment management using a global approach is our only business. Our philosophy and culture stand out amongst our peers, guided by three principles:

1. **Real returns** – Our investment philosophy is aligned with our clients' objectives – to protect and grow the purchasing power of their capital over the long term. We focus on real returns and consider risk as the potential for permanent capital loss.
2. **Partnership** – We have a deep-rooted culture of partnership. The investment team comprises 22 experienced investment professionals who are committed to providing a personal service to all our clients. Being independently owned by our employees which creates stability and focuses us on achieving client objectives.
3. **Stewardship** – When we buy shares in companies, we become business owners. As stewards of our clients' capital, we have an opportunity and a responsibility to contribute to the sustainable success of these businesses, taking the time to understand and support their strategy.

Sustainability is fully integrated into all investment decisions and our own business practices, so we are delighted to share this report.

If you would like further information, please visit our website

www.veritasinvestment.co.uk

or contact us at

hellolondon@veritasinvestment.co.uk.

Transparent Information and Fair Advice for Customers

SASB Code	Accounting Metric	Disclosure
FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	<p>0</p> <p>None of our employees have a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.</p>
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	<p>£0.00</p> <p>We have not been subject to any legal proceedings associated with marketing and communication of financial product-related information to new and returning customers.</p>

FN-AC-270a.3

Description of approach to informing customers about products and services

Our investment approach is founded on transparency and clients understanding the investments they own. We invest directly in global equities and bonds, holding between 25-40 equity positions in client portfolios. Our exposure to third-party funds is generally very low so clients know exactly what is held in their portfolio. This also ensures transparency when it comes to costs.

Clients have direct access to their designated investment managers who are responsible for suitability, portfolio construction and investment outcomes. We do not have relationship managers to ensure that we have clear lines of communication and increased accountability. This further aligns interests and accountability to clients. Investment managers usually meet clients on at least an annual basis and regularly update clients by email or telephone. Clients receive more formal written updates throughout the year which include our biannual newsletter 'View', an annual stewardship report and quarterly investment updates. We also hold webinars to which clients are invited. We have also started providing clients with sustainability metrics in client meetings which can be tracked over time.

We have a rigorous process in place for ensuring portfolios remain suitable for clients. Our initial suitability assessment is conducted before a portfolio is opened and suitability is reviewed on an annual basis.

Employee Diversity and Inclusion

SASB Code	Accounting Metric	Disclosure																											
FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	<p>We have a strong commitment to diversity and believe that having a diverse team and inclusive culture is crucial to the success of our business. We understand the importance of diversity of thought to our investment process and for our executive decisions, and we are proud to employ people from a wide range of backgrounds. In addition to the gender and age diversity set out below, we also have a range of educational backgrounds and have degrees in over ten different subjects, including economics, modern languages, chemistry, physics and philosophy. We are committed to supporting the future of diversity in our industry. We have therefore worked with the Sutton Trust and the Social Mobility Foundation for a number of years to offer work experience opportunities. In 2021, we expanded our future diversity initiatives further by working with the 10,000 Black Interns project to offer a summer internship.</p> <p>Please find below the data on gender and age diversity at the company. We are showing this data for the Executive Team, Investment Team and the company as a whole because we believe this is the most appropriate breakdown given the size and structure of the business. In total, we have 60 employees.</p> <p>Gender</p> <table border="1" data-bbox="759 1110 2060 1366"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Executive team</th> <th colspan="2">Investment team</th> <th colspan="2">Total Company</th> </tr> <tr> <th>Dec 22</th> <th><i>Dec 21</i></th> <th>Dec 22</th> <th><i>Dec 21</i></th> <th>Dec 22</th> <th><i>Dec 21</i></th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>60%</td> <td><i>60%</i></td> <td>41%</td> <td><i>46%</i></td> <td>56%</td> <td><i>58%</i></td> </tr> <tr> <td>Male</td> <td>40%</td> <td><i>40%</i></td> <td>59%</td> <td><i>54%</i></td> <td>44%</td> <td><i>42%</i></td> </tr> </tbody> </table>		Executive team		Investment team		Total Company		Dec 22	<i>Dec 21</i>	Dec 22	<i>Dec 21</i>	Dec 22	<i>Dec 21</i>	Female	60%	<i>60%</i>	41%	<i>46%</i>	56%	<i>58%</i>	Male	40%	<i>40%</i>	59%	<i>54%</i>	44%	<i>42%</i>
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Age

	Executive team		Investment team		Total Company	
	Dec 22	<i>Dec 21</i>	Dec 22	<i>Dec 21</i>	Dec 22	<i>Dec 21</i>
20-29	0%	<i>0%</i>	0%	<i>4%</i>	7%	<i>5%</i>
30-39	0%	<i>0%</i>	41%	<i>38%</i>	41%	<i>43%</i>
40-49	40%	<i>60%</i>	36%	<i>33%</i>	26%	<i>32%</i>
50-59	40%	<i>20%</i>	14%	<i>13%</i>	21%	<i>13%</i>
60-69	20%	<i>20%</i>	9%	<i>13%</i>	5%	<i>7%</i>

We intend to provide data on racial/ethnic group representation. We take staff confidentiality very seriously and want to ensure we have the appropriate data security and privacy systems in place before collecting this information. We hope to be able to provide this information in future reports.

We acknowledge that diversity alone is not enough and that, in order to truly benefit from the diversity among our staff, we need to create an inclusive culture in which people feel valued, are able to openly express their views and to bring their true selves to work. We have introduced a number of initiatives to promote this culture, ranging from whole firm away days to strengthen bonds between team members to having an open-door policy where senior management are always available to talk to staff across the business. We also acknowledge, however, that measuring the “success” of these policies is very difficult as there are no standard metrics available to monitor inclusion. That said, we took the first steps towards measuring this in 2021 by conducting a staff survey which focused on wellbeing and the way people feel about their roles. We are conducting the survey every six months and we will monitor results over time, taking action as needed. We hope to be able to provide further information on the results to date in our next report.

Incorporation of Environmental, Social and Governance Factors in Investment Management and Advisory Services

SASB Code	Accounting Metric	Disclosure
FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	<ol style="list-style-type: none"> 1. £5.8 billion. As described below, ESG factors are integrated into all investment decisions for all client portfolios. 2. £5.8 billion. We do not have a distinct sustainability-themed investment strategy. For all client portfolios, our investment research seeks to identify companies that are benefitting from long-term structural shifts and changes in the way society operates. As described below, we believe that we are in the foothills of a major shift to manage the planet’s resources more sustainably. Therefore, the roles companies play in this shift and the extent to which they manage their own business operations sustainably is a consideration in every investment decision we make. 3. Approximately £1.1 billion. We do not put in place firm-wide ethical screening as we believe our clients are best placed to ensure their own ethical beliefs are incorporated into their investment principles. We are happy to discuss these with clients and many private client and charity clients have some restrictions. These include restrictions on exposure to tobacco, alcohol, gambling, pornography and fossil fuels. Our focus on companies with strong and growing cash flows for the longer term often precludes many companies that tend to screen poorly on an ethical basis.

FN-AC-410a.2

Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies

As long-term shareholders in a focused list of companies, we have a responsibility to consider any factor that might impact the durability or value of our clients' investments. Environmental, Social and Governance (ESG) are all factors that might impact the long-term value of a company. The opportunities and risks related to ESG are key considerations in every new investment we make, as well as our ongoing decision to hold shares in a business.

In the long term, we believe that well-chosen equities, benefitting from structural changes and bought at a reasonable valuation, will be the main driver for achieving real returns. A key part of the thinking is the belief that we are in the foothills of a major shift to manage the planet's resources more sustainably. This is being driven by the demands of an increasing global population, an expanding middle class and the need to address the challenges associated with climate change and biodiversity loss. Poor governance, and environmental and social risks are business risks. We look for management teams that understand and plan for these risks; we believe companies need to maintain their social licence to operate given rapidly changing regulation and consumer preferences.

All research is done by our in-house investment team, not a separate ESG department. Owning shares in 25 to 40 companies, with a high number of investment professionals to investee companies, enables us to fully understand the material risks to each business. We use a range of sources to obtain this information, predominantly the information we obtain directly from companies. For some years, and especially throughout this last year, we have therefore been actively encouraging companies to be more transparent in their disclosure of ESG metrics. We supplement this with information provided by third parties such as Credit Suisse's HOLT, ISS, V.E (now Moody's ESG), sell-side analysts and industry specialists. Our focused investment style (25-40 companies) allows us to know our investments inside out, focusing us on what is material, and allowing us to punch above our weight in terms of influence.

We are pleased that our efforts have been recognised with a 5 Globe Sustainability Rating and Low Carbon Designation from Morningstar for our Protea Fund – Veritas High Equity and Protea Fund – Veritas Core Equity with Fixed Income. We can provide more detail on this if of interest.

Morningstar Rating



High
5 out of 5 globes

Since the end of 2022, we have also published our first TCFD-aligned (Task Force for Climate-related Financial Disclosures) report [for our business](#).

FN-AC-410a.3

Description of proxy voting and investee engagement policies and procedures

Our stewardship activities are an integral part of our approach to sustainable investment. When we buy shares in companies, we become business owners. How we behave as shareholders is closely aligned with the long-term nature of our clients' objectives. This is because we recognise the interdependence of the relationships between our clients, ourselves, the companies in which we invest and with wider stakeholders. Good stewardship involves voting and engagement on issues that will impact the long-term durability of a business. Our stewardship work is guided by our four principles:

- An aversion to box ticking: our focused investment approach enables us to fully understand the material risks to each business.
- A focus on all stakeholders: we recognise that businesses exist within society and therefore have a duty to all stakeholders, not just shareholders.
- A culture of partnership with management teams: we recognise and value progress in pursuit of long-term sustainability.
- We are prepared to vote with our feet: we will not hold shares in companies where we identify a material risk to the long-term viability of the business.

Because of our investment approach and the in-depth research that we carry out prior to becoming shareholders, both in relation to financial and non-financial issues, it is unlikely that we would become shareholders in a company which faced significant, material risks. Our stewardship activities are, therefore, generally focused on issues which will enhance the long-term sustainability of the company but which, if not addressed by the company, would not change our investment thesis.

We also regard shareholder voting as an important means of communicating with companies and we therefore exercise our right to vote on behalf of clients. We seek to understand each company's individual circumstances and history, enabling us to apply our voting principles flexibly, where appropriate, and consistent with supporting the company's long-term success. In line with our stewardship principle of focusing on materiality, each voting decision is taken on a case-by-case basis by our investment managers, based on independent judgement, analysis, and the outcome of engagements with companies. As we aim to invest only in well-run companies which have strong management teams and governance structures, we typically expect to vote with the board recommendations.

We subscribe to a proxy voting service provided by Institutional Shareholder Services (ISS), a global leader in corporate governance and responsible investment advice. ISS provides us with in-depth analysis of shareholder meeting agendas and voting recommendations based on its Sustainability Policy. However, we do not automatically follow ISS' recommendations on any votes. As highlighted above, each voting decision is taken on a case-by-case basis. Investment managers consider ISS reports, alongside their own analysis, experience and dialogues with the company concerned and apply their independent judgement when reaching each voting decision. Should ISS recommend voting against company management, where appropriate we will engage with company management to improve our understanding prior to voting.

We were delighted to be included on the 2021 and 2022 signatory lists to the UK Stewardship Code. Our latest [Stewardship Code Report is available on our website](#).

Business Ethics

SASB Code	Accounting Metric	Disclosure
FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	<p>£0.00</p> <p>In this reporting period, we have no monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.</p>

FN-AC-510a.2

Description of whistleblower policies and procedures

Whistleblowing is the reporting of suspected wrongdoing in relation to our activities. This can include bribery, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of legal, regulatory, or professional obligations.

A full copy of our policy on whistleblower policies and procedures is available on request.

The aims of our approach to whistleblowing are to:

- Encourage openness and confirm that we will support whistleblowers who raise genuine concerns under our policy, even if they turn out to be mistaken following an investigation.
- Provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace.
- Convey the seriousness and importance that we attach to identifying and remedying wrongdoing.
- Confirm that concerns will be taken seriously, investigated appropriately and the whistleblower's confidentiality will be protected whenever possible, and
- Reassure employees that they can raise a genuine concern if they believe the disclosure is in the public interest, without fear of reprisal.

Assets Under Management

SASB Code	Activity Metric	Disclosure
FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM)	<p>As at 31 December 2022, our total registered assets under management were £5.8 billion.</p> <p>We do not have any unregistered assets under management.</p>
FN-AC-000.B	Total assets under custody and supervision	<p>£0.00</p> <p>We do not have any assets under supervision.</p>

VERITAS

INVESTMENT PARTNERS

Veritas Investment Partners (UK) Ltd

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Registered in England & Wales. Reg. No: 12516583

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The Protea Fund – Veritas High Equity is rated out of 6,588 funds within its global category. Data is as at 30 June 2023. The Protea Fund – Veritas Core Equity with Fixed Income – is rated out of 6,588 funds within its global category. Data is as at 30 June 2023.