

# ESG Impact Report 2022

Investing in a better future



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# Annual Overview

Every day, the various social challenges that surround us are growing more complex. On a global scale, the environment is reaching its limit to accommodate lives of abundance and safety for humans. Post Covid, we have seen changes to work styles which play a vital part in how we choose to live and work. We at Stenham, continue striving to create social, environmental and economic value through all that we do.

We are proud to present Stenham's third ESG Impact Report. We continue to prioritise ESG integration across our business investment strategies. The ESG working group, established in 2021, meets regularly and reports and discusses various initiatives with a growing level of interest and participation from all staff members. We completed the groundwork on a number of ESG-focused funds during the course of 2022, which resulted in allocations to energy transition managers across our commingled funds and bespoke portfolios. We are also delighted to announce that, during the year, we partnered with a specialist manager in European utilities & infrastructure and completed our first co-investment in a renewable energy company in Germany, taking up a significant stake in the business for our investors. We will do everything within our capabilities to keep up the momentum and execute on these opportunities as they are presented to us.







## Message from our CEO

2021 was a year of optimism as the world tentatively started to emerge post-pandemic from the restraints and personal loss suffered by millions. This optimism faded quickly in 2022 as the previously unthinkable prospect of war in Europe began to flash across our screens. Faced with an equally menacing global threat, our Western governments quickly set aside their differences, uniting in their unequivocal support of Ukraine. It was the speed of decision making, and single-minded resolve to face adversity head on, that fills me with optimism as European dependency on Russian energy was all but halved in a matter of months. If there was ever any doubt, it was dispelled – we have the world leaders with the foresight, perseverance and determination to bring about the urgent changes to our way of life that our planet is desperately calling out for.

But our world leaders need help and creating value beyond the P&L statement and balance sheet of every business, irrespective of size, has become more important than ever. If investors, customers, organisations and their stakeholders all unite and collectively take a stand on issues related to sustainability, social justice and corporate governance, our world leaders will have no option but to accelerate and expand the targets they have set for addressing these defining challenges that we face.

It is against this backdrop that we share our 2022 Impact Report, and, in this regard, I would like to thank my colleagues, our investors and consultant partners for their contributions. We set ourselves some challenging targets for the year and beyond, and while we still have a long way to go, I am immensely proud of the progress we have made.

**Giulio Battaglia**







## Message from our CIO

*At Stenham, we realise that each component of ESG is critical to every business operating today. We understand the importance of identifying and engaging with all relevant stakeholders, so our approach to incorporating ESG into our investment process is a given. We continue striving to increase awareness among our managers over all sectors and strategies and embed sustainable practices throughout the firm.*

*Our dedicated team of analysts work with our managers to understand their ESG philosophy and incorporate them into the investment choices we make. With the unfortunate timing in terms of wider economic trends, rather than lack of conviction in ESG and energy transition themes, the increase in our exposure to the energy transition arena has been challenging. While we have seen only a modest number of direct energy transition strategies enter our portfolios, we have seen a large number of equity managers increasingly employing better and more sophisticated ESG analysis into their investment approaches, as well as increasing exposure to energy transition themes within their books. I believe this trend will continue and we would expect look-through exposure to the energy transition theme to continue to increase as the headwinds to growth subside.*

*As we look to the future, we have a strong and experienced investment team built up over time who are committed to looking at ways to enhance our investment process and our ESG initiatives, and we are well positioned to face the changes and challenges ahead.*

**Kevin Arenson**





# 02.

## Responsible Investment



We take care of the environment





# Co-investment in Sustainability

Finding the right partner

## MaxSolar

Investing in renewable energy in Germany

Over the last 18 months, Stenham has been working comprehensively on the theme of Sustainable Investment to identify true specialists in a broad range of strategies from energy and utilities all the way through to growth equities, carbon markets and commodities. The insights gained from these specialist managers have not only helped inform the investment decisions across our broader portfolios but have also led to a collaboration with one of these managers via a co-investment.

After extensive engagement and due diligence with a specialist utilities manager and a prominent listed renewables developer, Stenham participated in its first co-investment in sustainability via the joint acquisition of MaxSolar, a leading producer of German utility-scale, commercial and industrial rooftop solar projects. This unique offering was extended to clients and employees with its first successful closing in March 2022 and a second in August 2022, allowing for additional investment given the opportunity set. Through our network of trusted partners, Stenham intends to explore this pipeline of renewables projects further.



We believe that energy transition will represent the largest investment cycle in technology, energy and industry since WWII. While these areas are at the centre of this disruptive theme, every sector will be affected by the climate emergency in the long run, and we see significant opportunities to both accelerate and add value for our investors from this transition.





# Fund of Hedge Funds

## Investment oversight

### ESG DDQ sent to our underlying managers

Our Operational Due Diligence (ODD) function pursues an ESG integration strategy within our Fund of Hedge Fund business. During our 2022 due diligence cycle, we received responses from **64 of the 68 (95%) approved managers** we engaged with, regarding our AIMA Responsible Investment questionnaire. We use AIMA's DDQ template because we believe AIMA is a respected industry body and that it resonates with the practice of our underlying managers. This provided us with a detailed understanding of how managers incorporate ESG into their investment processes and wider business practices. **This is an increase from the 84% response rate in 2021**, which we believe is reflective of the greater investor pressure placed on managers to consider their ESG impact, irrespective of the strategies they deploy.



Whilst ESG has been a focus area of the industry for the past several years, we continue to see noticeable improvements made by a number of our managers, particularly the smaller managers who, given their inherent resource limitations, have been slower in the uptake of ESG initiatives. Examples include:

- **one of our credit managers, who in the past year implemented ESG factor analysis into their investment decision-making process**
- **one of our technology-focused equity long/short funds, who created an ESG Committee and commenced routine portfolio screening**

Given the level of oversight our position as an allocator affords us, we routinely provide feedback to managers as part of the due diligence process. This included advising several of our Asia equity long/short funds in their response to the Hong Kong regulator (SFC) imposed Climate Disclosure requirements, which went live in August 2022. In engaging with managers, we continue to develop our understanding as to what constitutes best practice, and the demands of the ever-evolving regulatory landscape.

Our ODD team focuses on governance issues and creates a ratings matrix on a defined set of factors. Our Investment Advisory Committee (IAC) has veto power over any potential investment, and reviews all collected ESG information prior to all investment decisions.

	A - score 4	B - score 3	C - score 2	D - score 1	E - score 0
POLICY	The manager has a stated policy addressing its approach to incorporating all aspects of Environmental, Social & Governance factors within the investment process and at the business level	The manager has a stated policy addressing its approach to incorporating all aspects of Environmental, Social & Governance factors within the investment process	The manager has a stated policy addressing its approach to incorporating Governance factors only within the investment process	The manager has no stated policy addressing its approach to incorporating governance factors within the investment process, but does have a good culture of governance and is willing to implement a policy within the next 12 months	The manager has no stated policy relating to any Environmental, Social and Governance factors within the investment process or at the business level and no intention to implement a policy





# Bespoke Portfolios

## Climate solutions managers

We have identified a shortlist of over 100 actively managed funds and narrowed this down to a select group of high-conviction investment experts seeking to capitalise on the thematic opportunities coming from the energy transition and the broader shift towards a more sustainable, circular economy. Through our continuous and extensive research, we aim to provide a diversified approach to investing in the most compelling opportunities across every sector and geography.

Although we did not achieve our goal to fund an ESG-labelled investment solution within our Fund of Hedge Funds strategy, we are finding that insights gained from these specialist managers is helping to inform the investment decisions we are making across our broader portfolios, but equally will enable us to construct more concentrated, bespoke solutions if and when required. It is becoming increasingly evident and inevitable that understanding ESG and energy transition is critical to achieving investment success in the coming decades. We continue to monitor the ESG space and promote investment in this sector going forward.

“It is becoming increasingly evident and inevitable that understanding ESG and energy transition is critical to achieving investment success in the coming decades.”

Myles Watkiss, Senior Analyst  
The Hedge, Dec 2021

**The Hedge**

DECEMBER 2021

GUEST ARTICLES

### INVESTING IN SUSTAINABILITY

Myles Watkiss, Senior Analyst, Stenham Asset Management

At the core of sustainable investing is the necessity to decarbonise the world to avoid temperatures rising by more than 2°C, in line with the Paris Agreement. This requires, at a minimum, achieving net zero global emissions by 2050, and to do this the world needs to undergo an energy transformation, which focuses on three core areas:

- Decarbonisation of power generation
- Electrification of energy use
- Increased efficiency of consumption

This transition is a megatrend that we believe will represent the largest investment cycle in technology, energy and industry of our generation, spanning multiple decades and leaving almost no sector untouched. The Intergovernmental Panel on Climate Change (IPCC) has estimated that the economic damage from a 2°C rise in temperatures could be as much as \$68tn. What is more worrying is that global temperatures have already risen by 1.2°C and even the most “ambitious” current global initiatives are projected to limit heating to 2.4°C.

The energy value chain will witness the biggest disruption and, while we see a need for renewables generation capacity to increase by around 14x, there are even more exciting opportunities deep within the value chain, including transmission, distribution and storage. It is not all about energy though, and we see interesting investments in clean mobility, circular economy and changing consumer habits. Sustainable agriculture and forestry will play a key role, with the industry currently accounting for 18.4% of emissions, as will efficiency of all kinds

from resource efficiency to the efficiency of renewable generation and storage. We also see opportunities in uncorrelated assets and strategies. Carbon credits will play an important role in encouraging companies to decarbonise and commodities, such as copper, lithium and nickel, are seeing hugely increased demand while extra supply can be hard to come by as quickly.

We believe that now is the time to act for three reasons: 1) renewable energy is now cost competitive to fossil energy on a levelized basis, meaning that this transition makes economic sense and hence is inevitable; 2) regulation will become an important tailwind, penalising legacy companies and incentivising sustainable companies; and finally 3) the financial and societal costs of inaction are building every year and if we delay too long, mitigation may become impossible.

We are still early in this transition and the opportunities/risks of being on the right/wrong side are still great, but the complexity involved in technological innovation, together with the high pace and breadth of disruption, makes specialist knowledge a necessity. For this reason, at Stenham we work extensively to identify true specialists in a broad range of strategies, from energy and utilities all the way through to growth equities, carbon markets and commodities. We are also finding that the insights gained from these specialist managers is helping to inform the investment decisions across our broader portfolios. It is becoming increasingly evident and inevitable that understanding ESG and energy transition is critical to achieving investment success in the coming decades.



“... at Stenham we work extensively to identify true specialists in a broad range of strategies, from energy and utilities all the way through to growth equities, carbon markets and commodities.”

Myles Watkiss, Senior Analyst, Stenham Asset Management

This article is also available on our [Insights](#) page





# Stenham Equity UCITS Fund

## Investment oversight

- Q We seek to invest in businesses where management compensation and incentives are aligned with that of shareholders and increasing value per share over the long term and not the short term
- Q Furthermore, we look to analyse the historical practices of a given business to identify if there have been instances where codes of conduct or regulatory breaches have occurred in order to establish whether this poses a risk for the future investment outlook
- Q Lastly, we examine the risk management framework in place by management teams for potential business disruptions. Those businesses that screen poorly from an ESG perspective, or that do not disclose sufficient information around these issues and broader governance protocols, are negatively evaluated from our investment process

**Given that we run a concentrated and high-conviction investment portfolio of 15-20 positions, we seek out the best-in-class businesses across our investment criteria**

“We have, in the past, sold out of positions where we deemed that deteriorating ESG characteristics increased the risks attached to the investment thesis. An example of this would be a company in the European media/communications industry, where deteriorating governance practices led to us re-evaluating the risks for shareholders (including ourselves) and, as such, we decided to exit the position. At one stage, this position was among the top 5 holdings for the Fund, however, as this risk became more apparent over time, the holding was reduced and, ultimately, we fully exited.”

**Mihir Kara**  
Senior Equity Analyst

We also pay due consideration to ESG ratings provided by a number of third parties when conducting our analysis of businesses we are interested in. From a **quantitative perspective**, we consider the rankings produced by MSCI and Bloomberg, which evaluate businesses across multiple metrics and rank them on both an absolute and relative basis.

Moreover, we combine this in our analysis with a **qualitative evaluation** of ESG factors included in the company disclosures we review (annual report, quarterly reports, etc.), such as those related to executive compensation tied to ESG milestones and progress, or a corporate culture that promotes and rewards diversity, inclusion and social well-being for their employees. We are well aware that ESG factors have the potential to impact the future cost of capital for an investment. **It is our best approximation that ESG can indeed have a greater impact on the future returns on any given business that we invest in.**

Although the Stenham Equity UCITS Fund is considered an Article 6 Fund under SFDR (Sustainable Finance Disclosure Regulation) without a sustainability scope, during 2022 we explored an ESG scoring tool, which holds analytics capabilities to achieve greater transparency and actionable insights across our portfolio and gain a better understanding of its composition. The thinking is to allow us to incorporate both ESG and climate risk factors into our investment decision-making processes and monitor changes in our portfolio's ESG and climate risk profile over time. We hope to implement this tool in the coming year.



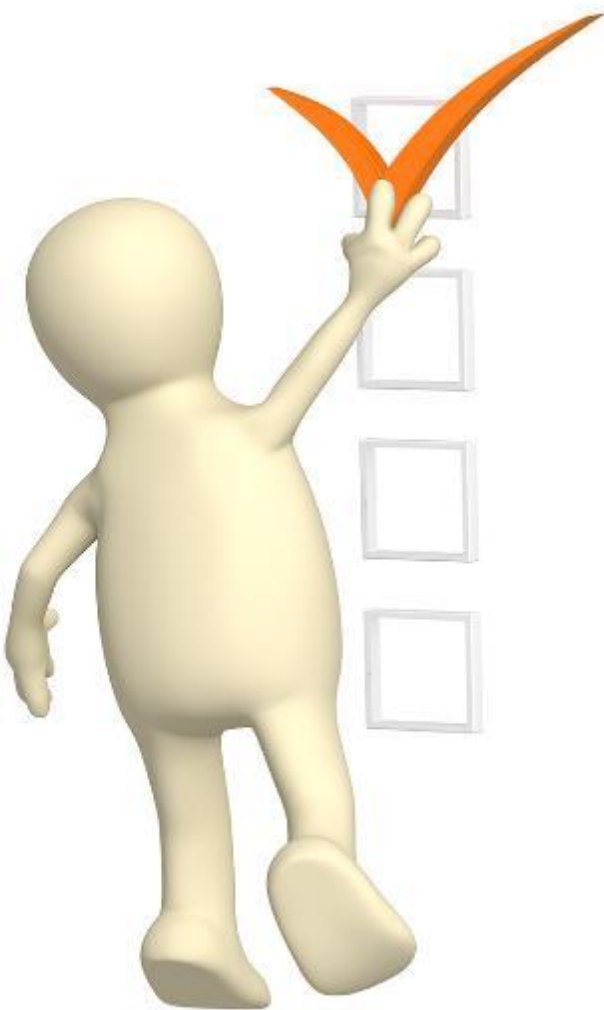


# Stenham Equity UCITS Fund

## Proxy Voting

We have continued our engagement with **Institutional Shareholder Services (ISS)**, a leading proxy advisory firm, to bolster our proxy voting and sustainability engagement capabilities. Stenham adopted ISS’s Sustainability Proxy Voting Guidelines, to further align our proxy voting strategy with our ESG practices. We currently exercise our voting rights against this benchmark, using in-house discretion where deemed appropriate. We publish our proxy voting data on our website on a quarterly basis. Stenham voted against Management’s recommendation in the case of a large world retailer where a vote FOR this proposal warranted additional information on the company’s GHG emissions reduction efforts so it would allow investors to better understand how the company is managing its transition to a low carbon economy and climate change related risks.

The following summary of our voting data for 2022 shows that the companies within our portfolio held 15 meetings during the reporting period, of which Stenham participated in 100% of the available meetings.



2022 Voting Summary						
				Total	Percent	
Votable Meetings*				15		
Meetings Voted				15	100.0%	
Meetings with One or More Votes Against Management				8	53.3%	
Votable Ballots*				15		
Ballots Voted				15	100.0%	
2022 Voting Statistics	Management Proposals		Shareholder Proposals		All Proposals	
	Total	Percent	Total	Percent	Total	Percent
Votable Proposals	212		19		231	
Proposals Voted	212	100.0%	19	100.0%	231	100.0%
FOR Votes	185	87.3%	16	84.2%	201	87.0%
AGAINST Votes	26	12.3%	3	15.8%	29	12.6%
ABSTAIN Votes	0	0.0%	0	0.0%	0	0.00%
WITHHOLD Votes	0	0.0%	0	0.0%	0	0.00%
Votes WITH Management	186	87.7%	3	15.8%	189	81.8%
Votes AGAINST Management	26	12.3%	16	84.2%	42	18.2%

\* A meeting is votable when one or more ballots are eligible to vote at the meeting, and differences in votable meetings and ballots occurs when multiple ballots are available to vote for the same meeting

15

meetings held

100%

Stenham participation





# Principles for Responsible Investment

We recognise that we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social and corporate governance issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).



Stenham endorses the six **Principles for Responsible Investment (PRI)** with a view to incorporating sustainability issues into our investment decision-making and ownership practices. The firm has been a signatory to the PRI since 2019 and submitted its 2020 PRI Transparency Report. Unfortunately, due to the change in assessment methodology and the level of disclosure by the PRI, we cannot directly compare our scores year on year. We nevertheless believe we continue to demonstrate an improvement in our efforts across the ESG spectrum. We await peer group comparisons from the PRI, as we begin preparations for the next reporting cycle in 2023.

As part of our PRI submission, we completed the following four modules:

- Senior Leadership Statement (SLS)
- Organisational Overview (OO)
- Investment and Stewardship Policy (ISP)
- Manager Selection, Appointment and Monitoring (SAM)



Stenham maintains its engagement with consultant, **Silver Regulatory Associates**, to assist in the development and maintenance of our ESG programme. We aim to sign up as a supporter to the **Task Force on Climate-related Financial Disclosures (TCFD)** recommendations and framework in 2023, with the belief that this process will lead Stenham to more effective climate-related financial disclosures.

1	We will incorporate ESG issues into investment analysis and decision-making processes	>	We consider ESG ratings and implementation when making investment decisions across our product lines, as detailed in this report
2	We will be active owners and incorporate ESG issues into our ownership policies and practices	>	We aim to be active owners in regard to ESG where relevant, including in proxy voting and manager engagement exercises, as detailed in this report
3	We will seek appropriate disclosure on ESG issues by the entities in which we invest	>	We evaluate the ESG implementation status of the entities and products we invest in. In particular, we have an ESG DDQ and scoring matrix for our underlying managers
4	We will promote acceptance and implementation of the Principles within the investment industry	>	We seek to do this by engaging with underlying managers, participating in relevant working groups with industry bodies and responding to regulatory consultations, where relevant
5	We will work together to enhance the effectiveness in implementing the Principles	>	We continue to review and evaluate our implementation of the Principles. We have also engaged with consultants in order to improve our effectiveness in this respect
6	We will each report on our activities and progress towards implementing the Principles	>	We report on our activities and progress in this area via our PRI transparency reporting and this ESG Impact Report







# 03. Stenham's Carbon Footprint



Environmental impact as a corporate entity





# Office Refurbishments

## London

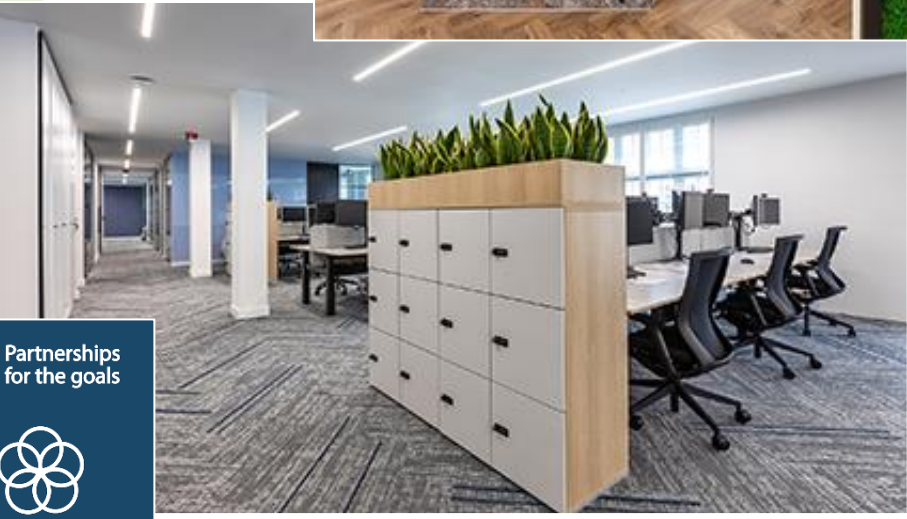
As part of the London office refurbishment for the first time since 2007, we took the opportunity to implement the following sustainable changes:

- ✍ The majority of our servers have moved into the cloud, resulting in a reduction of local energy usage
- ✍ We are using electronic faxing and electronic signatures and so pushing Stenham into becoming a paperless company
- ✍ Old electronic equipment is being disposed of in an environmentally-friendly way
- ✍ The in-house phone system has been replaced with a cloud-based system, which removes the need for a physical handset at each desk. Staff members can now use a soft phone either from their computer or mobile phone. We are committed to using the soft phone system and not reverting to using handsets. Old handsets will either be passed to external companies or charities, or will be disposed of in an environmentally-friendly way
- ✍ We have done away with 90% of our desktops and all employees have been equipped with laptops. In general, laptops are approx. 50% more energy efficient than desktops
- ✍ Where needed, energy efficient monitors have been purchased for remote-based staff. These new monitors are more energy efficient than the old ones they replace. Older monitors that are end of life have also been disposed of as per our Office Recycling process

  
**50%**  
more  
energy efficient  
with laptops



Before



In order to reduce our carbon footprint, we engaged **Clear Workspace**, a zero-waste office clearance specialist, to remove the furniture and goods at our London office prior to refurbishment. This company has diverted 2,488 tonnes from landfill and is committed to ensuring that 99% of our office waste is reused or stripped down into raw materials to be recycled. Wherever possible, the items will be passed on for reuse through a network of charities, African projects and specialist used office furniture dealers. Clear Workspace have recently supplied a school in Ghana with over 600 chairs, desks and many other useful items.





# Office Recycling & Energy Efficiency

Stenham is committed to recycling across all its offices.

Old, functioning electronic equipment that is due to be retired is refreshed and passed to local charities. Any non-functioning electronic equipment (e-waste) is recycled through an e-Stewards certified recycling company (<https://e-stewards.org/>). We promote the use of recyclable materials in our workplace, including rechargeable batteries in any wireless devices, and paper for internal documents. Across all offices, toner cartridges are returned to the supplier for recycling to avoid improper use of landfill.

Our Guernsey office is equipped with separate bins for glass, paper/cardboard, plastic and food waste to facilitate recycling. In addition, an energy efficient, environmentally-friendly air conditioning unit was installed 4 years ago to reduce the office's energy usage.

All general waste collected from our London office is used as a fuel to produce heat and power. Separated recyclable materials are sent for reprocessing and are used in the manufacture of new products.



**Building Management at our London office have also been progressing in their commitment to sustainability and environmental initiatives:**

- Property management company Knight Frank was appointed in August 2022. The building hopes to move onto their 100% renewable-sourced electricity contract with Total Gas and Power shortly
- Waste is separated into 3 bins: 1 general waste, 1 glass and 1 food waste. Building Management intend to show a big improvement on the recycling to waste ratio in 2023
- There is a provision for bins/recycling facilities of batteries and Waste Electrical & Electronic Equipment (WEEE) items
- An accurate log/register is maintained of all F Gases used on site
- There is a move to replace one of the chiller's next year, which will be far more energy-efficient and will not use R134a gas like the existing chiller
- During the new office fit out, LED lights were installed throughout, and the communal washrooms were fitted with smaller cisterns and water-saving auto taps



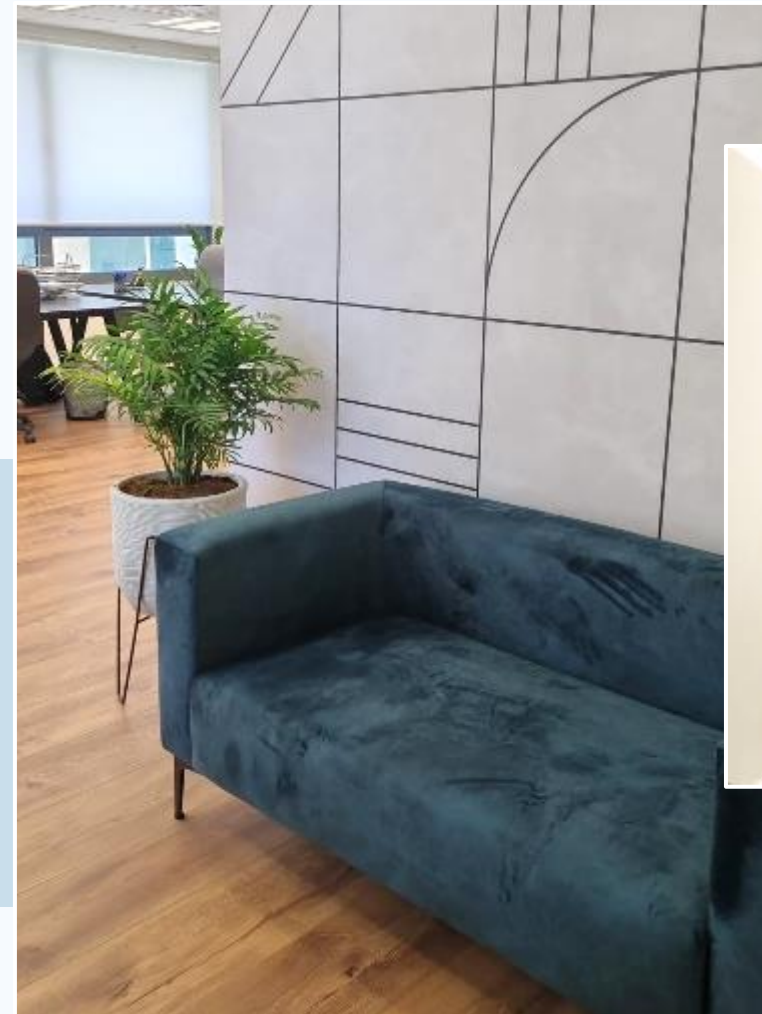


# Office Refurbishments



## Tel Aviv

In April 2022, our colleagues in Tel Aviv moved into newly refurbished offices in the Herzliya Business Park Centre owned by the Azrieli Group. Sustainability forms a large part of the professional and social fabric of the Group; they are among the founders of the Israel Green Building Council and established the brand as a model for commitment to the environment and the community. They fulfil this by using green construction, promoting waste management, minimising the use of non-biodegradable materials, managing water consumption, improving energy efficiency, and raising awareness of the need for environmental protection. The architects integrated into the design of the building, a simulation programme that examines the effects of the structure on its surroundings and its ability to cope with the site's climate.





# Supplier Chain

Stenham contracts with suppliers who maintain the highest levels of quality of products and services, whilst ensuring and providing superior service levels. When sourcing new suppliers, we are also seeking a deeper understanding of business risks arising from social and environmental changes to ensure that our business continues to grow with greater sustainability and resilience.

For example, the carpets in our newly-refurbished London offices were designed and manufactured in a carbon-neutral manufacturing location in the UK, taking into account a number of factors including environmental and social responsibility across material health, product circularity, clean air, climate protection, water, soil, stewardship and social fairness. At the end of its useful life, the carpets will be reclaimed and recycled. We have also reused existing furniture in the new offices.

We are hoping to introduce eco-friendly stationery, such as pens crafted from recycled plastic, card and sustainable wood, for promotional purposes and well as daily office use.

7 Affordable and clean energy



11 Sustainable cities and communities



12 Responsible consumption and production



17 Partnerships for the goals





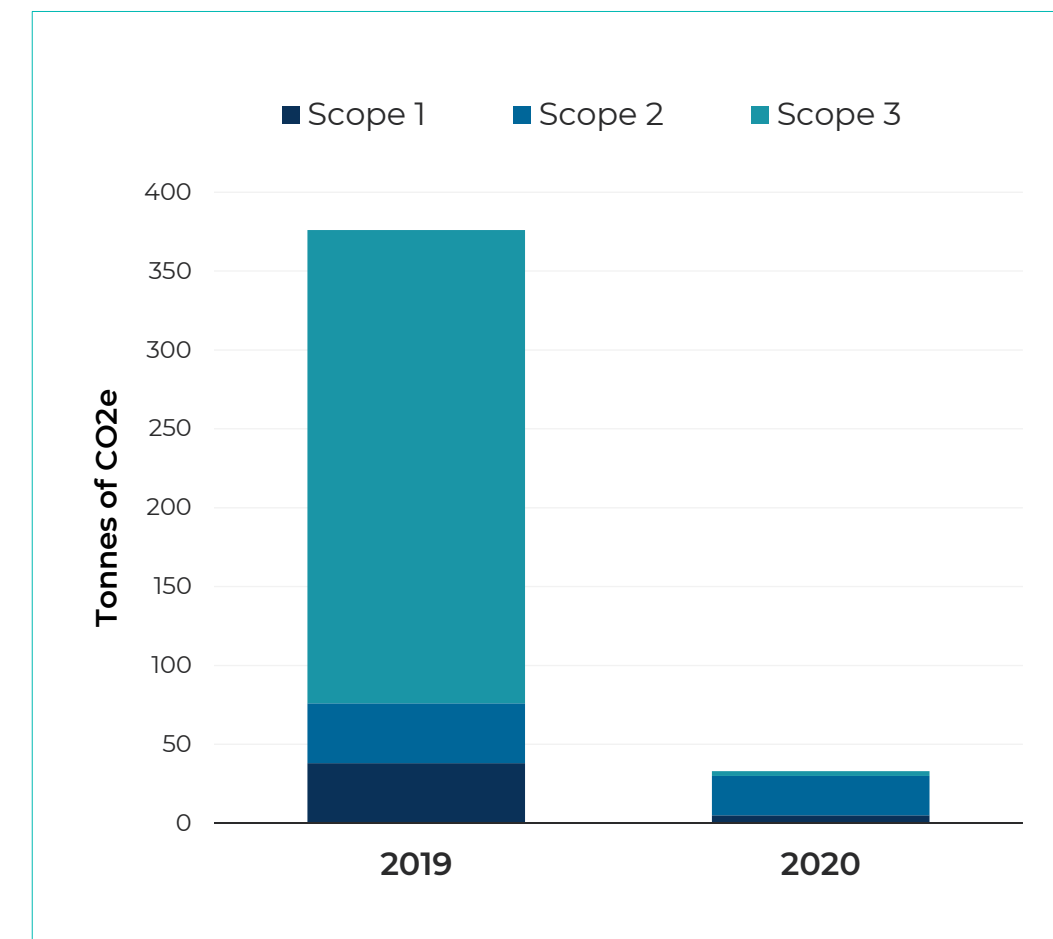
# Carbon Footprint Report



**ESI Monitor (ESI)** provided Stenham with our second verified Carbon Footprint Report for 2020/21, ending 31 March. Stenham engaged with ESI to support us in the efforts of embedding environmental sustainability into our businesses' DNA. We hope to align our own organisational environmental behaviour and skills with high standards of measurement, minimisation and benchmarking of emissions. For this, we have recently signed up to ESI Monitor's framework portal, **FutureTracker**.

ESI advised that from 2019 to 2021, Stenham's footprint **decreased by 354.57 tCO<sub>2</sub>e (92%)** from 384.87 tCO<sub>2</sub>e to 30.30 tCO<sub>2</sub>e. Emissions reductions were apparent in all Scopes and Sub-Scopes measured. The largest area of reduction was Scope 3 flights, as none were recorded during the 2020/21 period. This is because no air travel took place due to Covid-19 restrictions. Natural gas usage was also reduced significantly; however, as the 2019/20 figure was unable to be verified, the significance of this reduction may be due to a data collection error in the 2019/20 footprint.

As we develop our interactions with ESI and learn to utilise FutureTracker, we hope to be in a position to demonstrate improvement of our carbon footprint over time, working with senior management to explore targets and commitment modules available, and plan our strategic commitments to Climate Change Mitigation (Net Zero) by 2050.







# 04.

## Giving Back

in jurisdictions we operate in

“ Stenham’s social commitment is delivered through diverse initiatives, both medium-to-long and short term. We believe in the philosophy that business must also be a matter of human service. Human welfare and the environment are inextricably and critically intertwined.

Our efforts focus on directly, efficiently and effectively delivering transformational impact to less fortunate communities, differently-abled children and youth, while empowering youth, women and men with dignity through free education, vocational training, entrepreneurship, nutrition and provision of medical facilities. ”

CEO Giulio Battaglia



# Girls Are INvestors

During 2022, Stenham undertook a comprehensive review of possible UK charities to support. Our objective was to partner with a charity that focused on the investment industry, but importantly one with a proven impact track record and which had the infrastructure and networks in place to help us make a meaningful contribution to their cause from the outset.

Through this process we are proud to announce our collaboration with GAIN, a charity set up by investment professionals to improve gender diversity in investment management by building a talent pipeline of entry-level female and non-binary candidates. The focus of the charity is to generate more and better prepared women for investment firms through early engagement with sixth form and university students. GAIN informs young women with free resources, events, programmes and a network of industry role models who speak at events and offer mentorship. **Their goal is for women to occupy 30% of senior investment roles and executive committee positions in the financial services industry by 2040.** Currently, only 10% of senior investment roles in the UK are held by women. Since 2019, approximately 250 events such as school talks, panel discussions and workshops have taken place, including flagship summer internships and investment insight courses. Almost 1,200+ industry professionals offer their time and expertise and there are over 500 corporate sponsors.



We are very excited about collaborating with GAIN towards their “Silver” initiative. In June/July 2023, we intend to host an internship program for 4 weeks and have been busy interviewing candidates for a career in investment management. While GAIN’s focus is on introducing young women to decision-making roles within our industry, overall Stenham’s stewardship, engagement and Recruitment Policy will apply.

Stenham employees also hope to participate in a variety of in-person and online GAIN events at schools and universities throughout the year, providing insights into investment management.

## 250+

GAIN events delivered since 2019

## 1,200+

GAIN investment industry volunteers

## 500+

GAIN corporate sponsors



4 Quality education



8 Decent work and economic growth



10 Reduced inequalities



17 Partnerships for the goals



Last year, Stenham supported **Future Frontiers**, an educational charity working with schools and young people from disadvantaged backgrounds. 13 staff members took part in 1:1 coaching and greatly enjoyed the contribution.





# Olio: The Food Sharing Revolution



“ For the past 18 months, I have been involved in collecting surplus food from local businesses 2-3 times a week, that can be shared rather than thrown away.

*This could be food nearing its sell-by date in local stores, spare home-grown vegetables, bread from your baker, or the groceries in your fridge when you go away.*

*The food is collected from the stores, photographed and uploaded to the app for people to request and collect. In Guernsey, our cohort of volunteers picks up from a total of 11 stores daily, including the Co-operative and Waitrose.*

*Olio is a local sharing app that can be used for non-food household items too.* ”

Jan Alexander, Administrator

1/3

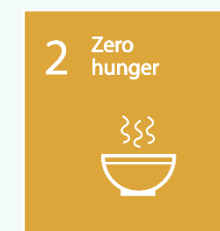


of the food we produce globally is thrown away, and the average family throws away £700 worth of food each year. That adds up to £12.5 billion that is going straight to landfill.



Olio is currently carbon negative (which means they remove more carbon from the atmosphere than they generate) and were recently awarded a B Corp certification for maintaining a high standard of social and environmental performance.

By empowering local communities with a free, accessible, and effective solution to reduce waste, they are confident they will be able to have a lasting, meaningful impact on the world one share at a time.





# Gifts for the Elderly and Vulnerable



## Christmas Spirit

Gifts for the Elderly and Vulnerable is a Guernsey registered charity whose mission is to bring a bit of festive cheer to some of the 450 local residents who spend Christmas Day alone.

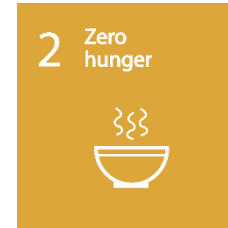
Their aim is to reduce isolation and bring joy by providing Community Nurses with gifts to distribute to their patients.

The **Guernsey office** collected a range of small gifts, including puzzle books, chocolates, socks and biscuits. They then spent a jolly couple of hours wrapping and bagging up the gifts.





# One Bag Full



“One Bag Full was launched in April 2020, just before the first lockdown started in South Africa, by four close friends. This non-profit organisation was founded with the vision to primarily help feed and provide basic necessities and clothing to the less fortunate community of Langa.

Situated on the outskirts of Cape Town, Langa is one of the oldest informal settlements in South Africa. It is a community where there is extreme poverty, high unemployment and many social challenges.

One Bag Full have coordinated countless drives since inception. These include the weekly sandwich and fruit challenge, where a team distributes nutritional food packs to the less fortunate on the streets of Langa, as well as drives at special times of the year such as Easter, Mandela Day, Woman's Day and Christmas.”

**Melissa McGavin**  
Operations Administrator



Stenham is privileged to support One Bag Full, a charity which continuously aims to improve the lives of these people through not only feeding them, but planting hope and trust in their hearts and has contributed £3,000 towards the upcoming drives that One Bag Full have in place.





# Health Connections



Catherine Griggs, Managing Director of Stenham in Guernsey, is on the board of local charity Health Connections LBG, which aims to connect the people of the Bailiwick of Guernsey to support and activities that matter to them to improve their health and well-being, thus enabling them to live healthier and happier lives.

This is achieved by:

- maintaining a one-stop directory of local community support and activities which people can be connected to
- offering one-to-one signposting support and advocacy at points of transition in peoples' lives and to those who are receiving medical treatment and care on and off the island
- providing a **Voluntary Community Transport Service**, which enables people to easily access opportunities for social connection and services and activities that support their health and well-being. **In 2022, 10,070 journeys were booked for 394 registered passengers**

The charity's goals include focusing on early intervention and prevention, facilitating independence in the community for longer and encouraging a systemic partnership approach across the public, private and third sectors.

Catherine's responsibilities include fundraising and overseeing the finances of the charity, as well as occasionally helping out in the pre-loved and re-loved shops, which have enabled the charity to become 79% self-sufficient.



3 Good health and well-being



17 Partnerships for the goals



Stenham has pledged a donation of £5,000 which will go towards the salary of one of the Voluntary Community Transport Service coordinators

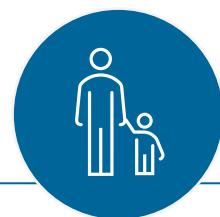




# Personal Initiatives & Voluntary Work

“ For several years, I have been volunteering for my local mental health charity Community ConneX (formerly Harrow Mencap). This charity supports people with learning and physical disabilities, so that the disadvantaged are seen as equal citizens with equal rights. It provides opportunity, offers emotional support, promotes change, fundraises, connects communities and helps to change lives. I am mostly involved in fundraising across the board (supermarket collections, etc.) and the Connecting Communities programme. ”

Charmaine Jordan  
Compliance Consultant



“ I volunteer my time as a Governor at a primary school in Leatherhead. The role oversees the management of the school, which includes ensuring:

- support is given to disadvantaged families, both financially and emotionally
- the teaching provided is all inclusive, giving every child the opportunity to learn
- children are taught how to safeguard themselves, both personally and online, to prepare for secondary school
- the mental health & well-being of all the children and staff is good ”

Ann-Marie Bevan, Client Services Manager



“ I decided to volunteer for a cancer study run by Imperial College/NHS. This involved providing initial blood and saliva samples and completing an extensive questionnaire on my family history and general physical & mental health. Further tests and consultations will be conducted in a few months' time. They will not only use this genetic material for research purposes, but also provide me with insights on my current health status and how likely it is that I might develop cancer one day. Hopefully, this study leads scientists to new findings that help others in the future. ”

Rita Movik  
Investor Relations & Marketing Manager



“ For over 2 years, I've participated in the UK's Covid-19 Infection Survey (CIS) conducted by the Office for National Statistics in conjunction with the University of Oxford. On a monthly basis, I submit a detailed questionnaire and provide blood/swab samples for research purposes, initially in person and now by post. My data contributes to headline statistics on the rate of transmission, emerging variants, the impact of vaccinations and socio-demographic behaviour. This has continued to provide vital information to the government to help assess and respond to the pandemic over time and act in the best interests of the NHS. I am proud to be a small part of this incredibly important work and will continue to be involved for years to come as they observe the longer lasting effects of the virus on our health. ”

Lelia Kuzbari  
Director of Investor Relations and Marketing

3 Good health and well-being



4 Quality education



10 Reduced inequalities



## Matching

With a view to encouraging staff to contribute and engage in additional charity work, Stenham has committed to pay £10 towards every hour an employee volunteers





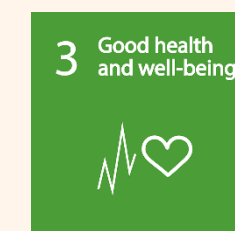
# Sohn Tel Aviv



**SOHN**  
CONFERENCE FOUNDATION

CIO Kevin Arenson and his wife, Dana, are founding partners of **Sohn Tel Aviv**. The Foundation funds ground-breaking research, state-of-the-art technology and programmes to target cures, treat and improve the care of children with cancer, Rett Syndrome and other childhood illnesses. The Sohn Conference is one of the most prestigious financial events held in Israel, where speakers reveal their best investment ideas. Proceeds from the conference are donated to fund medical research into finding cures for diseases. To date, Sohn Tel Aviv has **raised approx. 5 million Shekels (\$1.6 million)** to support charitable causes.

In June 2022, Kevin took part in an online interview and presentation for the Sohn Tel Aviv Conference. It was produced in conjunction with the main financial newspaper in Israel, **Calcalist**, and then released to their subscribers.







# 05. Employee Well-being

A positive working environment produces a positive output



# End of Year Celebrations

It was a joy to get together and also welcome new colleagues who joined in 2022. Our annual lunch took place in early December, and we were delighted that some of our overseas colleagues could join. A specially-curated quiz was thrown in to get every table, or “team”, involved in a fun and interactive bit of competitive camaraderie.

Accompanying individual festive hampers, was a card from CIO Kevin Arenson and CEO Giulio Battaglia, thanking staff for their collective and individual efforts, those who recently joined and those who have been with Stenham for a while, for pulling together seamlessly and playing their part in making the past year the success it has been.



*“ Well, we’ve come to the end of another year! I firmly believe that our business is in better shape today than we’ve ever been before. This does not come about by chance, but thanks to the hard work and dedication of each and every one of you.*

*As the holiday season starts, I’d like to take this opportunity to thank you for the commitment that you’ve shown throughout the year, and to wish you a joyous time with your family and friends.*

*Wishing you and your families everything of the best over this period – and for 2023! ”*

**CIO Kevin Arenson**







# Mental & Physical Health



## Furry Friends

It's no secret that pets in the workplace help to reduce work-related stress, provide companionship, support and improve employee satisfaction.

Meet **Bonnie**, the rescue dog and stress-buster Spaniel, who sits in the main reception at 180 Great Portland Street - a wonderful initiative from our Buildings Manager, Mark.

Bonnie waits patiently to take employees for a walk in the park, so they get active, take in some fresh air to improve mood and reduce anxiety, which in turn benefits employees' well-being and motivation.

## Healthy Snacks

The health and productivity levels of our staff are of the utmost importance and promoting a balanced diet is one small way we can help.

Steering clear of high-sugar snacks and soft drinks, we provide a weekly hamper of fresh fruits and a selection of herbal teas in our London office. Not only is it scientifically proven that a diet rich in fruits can lower blood pressure, reduce the risk of heart disease, stroke, eye and digestive problems, but it can also have a positive effect on blood sugar levels, which can help keep appetite and energy levels in check.



## Communal Lunches

We also encourage London staff to take a lunch break away from their desks in our beautiful new kitchen and reconnect with peers across departments. This allows the brain to breathe, which encourages creative thinking and discussion, boosting productivity among workers, who return refreshed and motivated.







# 06. Next Steps

In our last report, Stenham had identified two specific steps to advance our commitment to Responsible Investment in the future:

- **Development of an ESG-labelled investment solution within our FoHF strategy**

We can proudly state that we have completed the groundwork on a number of ESG-focused funds during the year, which resulted in allocations to energy transition managers across our commingled funds and bespoke portfolios

- **Continued ESG collaboration**

We have enhanced our engagement with clients and managers to best align our investments with Stenham's stated Responsible Investment goals

**We aim to continue the above and, as part of our future ESG targets, together with the input of the Board and senior management, Stenham is assessing and considering its strategic commitment to reach certain goals, including achieving net zero, although this is still a work in progress.**

For more information, please contact the Compliance Team at [compliance@stenham.com](mailto:compliance@stenham.com)





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