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The second quarter of 2021 provided another series of fascinating developments in the world of ESG. Proxy season delivered some notable outcomes, particularly the success of activist investor Engine No. 1 in claiming three board seats at energy giant Exxon Mobil on the back of a campaign which criticized the company's reliance on fossil fuels. The Dutch courts also ruled on May 26 that Royal Dutch Shell must accelerate its greenhouse gas emission reductions and slash emissions by 45% by 2030 from 2019 levels. The transition of the energy system to a low-carbon future is far from a fait accompli, however. The International Energy Agency produced a landmark report on achieving net zero emissions by 2050. The scale of change required throughout our economy to achieve net zero by 2050 is nothing short of transformative.

While climate change dominated the ESG headlines, many other ESG issues continued to gain in importance. We saw an increase in resolutions related to racial and gender equality in this year's proxy season, and we believe this trend will continue. In addition, the cyberattack at Colonial Pipeline, a key provider of infrastructure to the US energy system, showed the importance of a robust enterprise risk management system supported by strong governance structures.

Epoch's ESG efforts have been progressing rapidly as we help our clients navigate this dynamic landscape. The most important development for us in the quarter was our hiring of Maya McFann, who joined the firm in April as an ESG Analyst. Maya joined us from PwC's Sustainability and Climate Change team in London. She holds an MSc in Climate Change and Finance from Imperial College and an integrated Masters in Chemical Engineering from the University of Birmingham. She also recently completed the CFA Certificate in ESG Investing. Maya has already proven herself a valuable member of our team, improving our carbon analytics and proxy processes. We look forward to her further contributions. Welcome, Maya!

We continued to advance our Stewardship efforts with the submission of our third PRI report in April. This followed an overhaul of our UK Stewardship Code reporting and our first Modern Slavery statement in tandem with our Compliance team. We also continue to evolve our approach to proxy voting, with vigorous discussions among our Investment team about proposals at a wide range of companies. This will be an area of further refinement as we create our own frameworks for tackling certain material ESG proxy issues. In particular, we are looking to develop a framework for executive compensation which is aligned with Epoch's views on ESG and capital allocation.

We are excited to enter the second half of the year, when we tend to engage with companies on a range of important ESG issues, particularly climate change. We are also looking forward to deepening ESG integration at the firm by offering detailed feedback on the ESG notes produced by the fundamental analysts. We are also bringing in a well-known speaker on corporate governance to speak with senior members of our Investment team. We believe these initiatives will allow us to better assist our clients in meeting their ESG goals. As always, we welcome any questions and feedback on Epoch's progress on the ESG front.