

# infusive

Responsible Investing Policy  
April 2023



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## 1. INTRODUCTION

Infusive Asset Management is a firm exclusively dedicated to managing the Consumer Alpha™ investment strategy. Consumer Alpha™ is based upon the idea that long term performance of stocks is the direct result of products and services meeting one universal and immutable human need: the search for happiness.

We recognize our society's efforts to act responsibly to minimize the impact of human activities deemed harmful to our well-being and to that of our planet. This policy is designed to share the actions Infusive implements to make its contribution.

Our investment philosophy has been perfected over the past three decades and focuses on improving the wellbeing of humans across demographics and regions. Therefore, we believe that Consumer Alpha™ is intrinsically well placed to support a long-term sustainability framework.

**Our policy is broken down into four sections:**

1. Our Sustainability Focus Area
2. Integrated Investment Process
3. Our Undertakings
4. Promoting Sustainability

## 2. OUR SUSTAINABILITY FOCUS AREA

Sustainability is a term widely used to group together many issues and activities. Aspects of responsible investing can broadly be broken down into three key areas; Environmental, Social and Governance or "ESG".

(Source: UN Principles of Responsible Investment website)

- **Environmental:** climate change, resource depletion, waste, pollution, deforestation
- **Social:** human rights, modern slavery, child labour, minorities' rights, gender equality, working conditions and employee relations
- **Governance:** bribery and corruption, executive pay, board diversity and structure, political lobbying and donations, tax strategy

Of the three broad categories we focus on governance. We prioritize progress and strong leadership to allow our portfolio companies to work towards better practices. At Infusive, as a financial services firm, we see this as the natural space for us to support our portfolio companies.

## 3. INTEGRATED INVESTMENT PROCESS

Our non-exclusionary investment and risk management process incorporates how ESG matters influence corporate activity and financial markets. Our aspiration is to consider the material risks our holdings face while successfully meeting our return targets. Even though we don't invest in weapons, drugs or pornography, we do invest in alcohol and fast food.

We integrate the following components into our investment approach:

- Consumer Alpha™ Universe Scorecard system – To ensure a holistic analysis of potential companies, we implement our Consumer Alpha™ Universe Selection process. Our analysts use a combination of publicly disclosed information, alternative data sources and best in class research.
- We engage with our companies regularly to express our responsible investing opinions. We aim to meet them every year to discuss these as well as broader financial matters.
- Dedicated Discussions - We host internal standalone investment calls to handle topical ESG issues, deliberately promoting an open discussion based around the relevant challenges our portfolio faces. We also investigate specific ESG topics to enhance knowledge and familiarize ourselves with best sustainable business practices.

#### 4. OUR UNDERTAKINGS

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At Infusive, in order to integrating our sustainability beliefs beyond our core activity of managing our clients' portfolio, with effect from 1st April 2020 we will implement the following practices:

- Through our Proxy Voting company ISS, we regularly vote in line with our ESG principles, using their Sustainability voting overlay. We see it as a basic act of corporate responsibility to monitor and assess company's progress on ESG matters and, when appropriate, expose any areas of concern.
  - Our Proxy Voting Policy is attached as Appendix 1
- As signatories of the UN Principles of Responsible Investing, we submit our Integrated Investment Process for external review. The UN PRI is an international network of asset owners, asset managers and service providers working together to put better investing principles into practice.
- As a company, we rely on electronic documents to reduce our carbon footprint.

#### 5. PROMOTING SUSTAINABILITY

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Drawing attention to responsible investing is a powerful tool to spark meaningful, constructive conversations. With that in mind, we produce the following content as a vehicle for these discussions and as a way for us to share our perspective and actions:

- Content production – to be part of the wider, existing debate we share our findings on sustainability and spark further conversations by producing ad hoc content/reports/panels.
- Annual Investor Survey - we conduct a yearly survey to gather valuable feedback to better guide our research and to gauge wider societal sentiments on relevant responsible investing practices.
- Annual ESG Investment Report - to update our partners on our progress on the full range of firm and portfolio activities in the sustainability space, we compile an annual ESG Investment Report

## APPENDIX 1 - INFUSIVE PROXY VOTING POLICY

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Please see attached document

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- |                                  |   |
|----------------------------------|---|
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Infusive Asset Management Inc

MATTHEW SCHOPFER

Head of Research

[matthew@infusive.com](mailto:matthew@infusive.com)

NY Office: [+1 646 902 6882](tel:+16469026882)

60 East 42nd Street

Suite 1840,

New York, NY 10165

3 St Michael's Alley

London, EC3V 9DS