



FIM Services Limited

Responsible Investment Policy (RIP)

FIM is entrusted with the management of long term investments. Many investments are planned to be held for 20 to 25 years, and many of FIM's clients have been and will be long term investors for a similar or even longer timeframe.

FIM promotes and manages sustainable, investments on behalf of clients in forestry and renewable energy. FIM seeks to ensure that these investments meet strict environmental, social and governance criteria over a long timespan.

FIM supports the Forests programme set out by the Carbon Disclosure Project (CDP), with UK forests managed to absorb and lock up carbon and to ensure that investors' timber is harvested from sustainable resources. (<https://www.cdp.net/en-US/Programmes/Pages/forests.aspx>)

FIM is a member of the UK Sustainable Investment and Finance Association (UKSIF) which works to champion sustainable finance, develop markets and tackle market failures. (<http://uksif.org/>)

FIM's RIP addresses all matters which FIM employs to meet the set objectives. FIM believe that active management of these issues will deliver long term benefits to both investors and the company.

The principles of FIM's RIP are:

1. Long term investment

FIM has high standards of client service and accountability to ensure investments are managed to create and protect wealth over long timespans.

- FIM is authorised by the Financial Conduct Authority (FCA) to provide investment services as an Alternative Investment Fund Manager (AIFM).

FIM has a detailed Compliance Manual, subject to regular revision and updates, to ensure compliance with FCA requirements and standards.

- FIM is accredited to the ISO 9001:2008 standard, which ensures robust operating standards as set out in FIM's Integrated Management System are adhered to.
- FIM carries Professional Indemnity Insurance and has a clear Conflicts of Interest Policy to protect investors' interests.

2. Asset Stewardship

FIM is committed to promoting and managing sustainable investments.

- UK forests are managed by professional qualified foresters in accordance with the UK Woodland Assurance Standard (UKWAS) which results in certification under the Forest Stewardship Council (FSC) scheme.

Certification schemes provide a way of defining sustainable forest management as well as third party independent verification that a timber source meets the definition of sustainability.

These schemes include a mechanism for tracing products from the certified source forest to the end use, providing evidence that it is both legal and sustainable.

The FSC is the most widely regarded scheme, which most effectively ensures that products bearing its label are sustainable. Each operation is audited annually to ensure compliance with the set standard.

- Renewable energy investments are managed by professional managers to ensure compliance with all environmental and social criteria stipulated in the planning consent relating to the development. Management includes liaison with the local community as required.

3. Client Service

FIM is committed to client service.

- FIM conduct detailed due diligence on potential investment opportunities.
- Prior to deployment of capital investments are subject to approval by the Investment Committee, which encompasses wide ranging experience.
- Investments are actively managed to a clear business plan with regular meetings, management accounts and procedures as appropriate to monitor performance and delivery against the set strategy, including FIM's RIP, providing ready access for investors implementing the Financial Reporting Council's UK Stewardship Code.
- FIM ensure regular communication with clients in a timely manner.
- All communications to investors or potential investors are structured to be clear, readily understandable, and contain full disclosure on all fees or any other remuneration due to FIM.
- FIM regularly seek to liaise with investors on the standard of service provided, and utilise any feedback to enhance FIM's management systems.

4. Company Structure

FIM is committed to provide long term service and value to investors.

- FIM seeks to align its interests with investors through management fees being linked to the Net Asset Value of their investment, to incentivise good stewardship of assets.
- Directors and employees are encouraged to seek long term performance for investors, and adopt an appropriate risk profile.
- FIM's remuneration policy is designed to promote a stable framework for development of the business, with directors holding a sizeable stake in the Company and certain employees benefiting from an EMI Share Option Plan, to establish ownership in the business at favourable prices.

An annual bonus scheme, payable to all, at the discretion of the Remuneration Committee, is designed to ensure all employees are aligned with the long termism which FIM sets out to encapsulate.

**Reviewed and approved by the Compliance Committee
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