

# Responsible Investment Statement

In order to spend a higher proportion of the donations we receive from the public on medical research that will change lives, we hold investments which are overseen by our Board of Trustees and Investment Committee. Income from these investments helps to cover our annual operating costs.

We seek to maximise the return on our investments, while managing risk and taking into account ethical factors that we believe to be critical to fulfilling our mission to improve human health.

There are some specific global activities that we believe could affect our ability to improve human health, including: i) the manufacture and distribution of tobacco; ii) activities that drive the global climate crisis; iii) weapons that risk indiscriminate and disproportionate harm during and after conflict; and iv) the overuse of antimicrobials (in particular, antibiotics).

We instruct our equity investment managers to exclude from our segregated investment portfolios stocks in sectors that involve tobacco manufacture and distribution, thermal coal and controversial weapons (weapons which have a disproportionate and indiscriminate impact on civilians, during and after conflict, e.g. anti-personnel landmines, cluster munitions, chemical, biological and nuclear weapons). We take this 'divestment' approach because we consider investment in these particularly harmful sectors to be entirely inconsistent with our mission.

Where we invest in stocks of companies that deal with other fossil fuels (e.g. oil companies), or companies at risk of overusing antimicrobials (e.g. food production), we require our equity investment managers to engage with company management to address these issues and to participate in international initiatives related to these ethical concerns. We allow our equity managers to invest in these stocks where they will be an important source of income and growth for us, but we require them to use their influence and voting rights to drive improvements in practice that will ultimately benefit human health. This 'stewardship' approach to investment provides the opportunity to influence companies whilst still investing in them. However, we instruct our investment managers to exclude stocks from our portfolio if there is no prospect that engagement will change the company's business model and practices.

When appointing our equity investment managers, we carefully consider their track record in responsible investing, and we expect them to report regularly on their activities to our Board of Trustees and Investment Committee.