

Sub-Fund: Rockefeller Global Equity ESG Improvers UCITS (the "Fund")

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1. Sintesi

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La presente informativa contiene informazioni relative all'approccio all'investimento sostenibile del Fondo, conformemente alle disposizioni degli articoli da 23 a 36 del regolamento delegato (UE) 2022/1288 della Commissione ("**SFDR Livello 2**"). Le sezioni seguenti sono nell'ordine stabilito dall'SFDR Livello 2 e le informazioni ivi incluse riflettono le informazioni obbligatorie da fornire agli investitori ai sensi dei suddetti articoli.

Come descritto in dettaglio più avanti, il Fondo, un comparto di Rockefeller Capital Management UCITS ICAV, promuove, fra le altre caratteristiche, talune caratteristiche ambientali o sociali, a condizione che le società beneficiarie degli investimenti seguano prassi di buona governance, con riferimento in particolare a strutture di gestione solide, relazioni con il personale, remunerazione del personale e rispetto degli obblighi fiscali.

Questa sezione di sintesi è stata completata conformemente all'SFDR e, in particolare, all'articolo 24 dell'SFDR Livello 2 e riassume le informazioni chiave di cui alle restanti sezioni.

Nessun obiettivo di investimento sostenibile	Questo Fondo promuove caratteristiche ambientali o sociali, ma non ha come obiettivo un investimento sostenibile. Il Fondo si impegna ad avere una quota minima del 50% di investimenti sostenibili.
Caratteristiche ambientali o sociali del prodotto finanziario	Le caratteristiche ambientali e sociali promosse dal Fondo consistono nell'investimento in società che soddisfano i criteri ambientali, sociali e di governance del Gestore degli investimenti e che si ritiene stiano migliorando o dimostrino un potenziale di miglioramento della traiettoria delle loro pratiche ESG, escludendo le società coinvolte in determinate attività economiche che potrebbero non prosperare in un contesto futuro sostenibile e non sono disposte a cambiare.
Strategia di investimento	<p>Il Fondo intende investire in società che soddisfano i criteri ambientali, sociali e di governance definiti dal Gestore degli investimenti e che si ritiene stiano migliorando o dimostrino un potenziale di miglioramento della traiettoria delle loro pratiche ESG ("Società in fase di miglioramento ESG"), secondo quanto stabilito dal processo di valutazione del Gestore degli investimenti.</p> <p>Un team diversificato di analisti di ricerca con integrazione ESG include le informazioni riguardo alle Società in fase di miglioramento ESG nel processo di selezione dei titoli del Gestore degli investimenti.</p>
Quota degli investimenti	<p>Si prevede che almeno il 50% del valore patrimoniale netto del Fondo sarà investito in titoli allineati alle caratteristiche ambientali e/o sociali promosse dal Fondo. Il Fondo si impegna ad avere una quota minima del 50% di investimenti sostenibili.</p> <p>Ciò significa che un massimo del 50% del valore patrimoniale netto del Fondo sarà investito in attivi classificati come "Altri", che possono comprendere liquidità e strumenti equivalenti anche detenuti come liquidità accessoria o a fini di bilanciamento del rischio, nonché investimenti non allineati alle suddette caratteristiche ambientali o sociali.</p>
Monitoraggio delle caratteristiche ambientali o sociali	Prima dell'investimento, il Gestore degli investimenti utilizza un approccio in due fasi per monitorare il soddisfacimento delle caratteristiche ambientali e sociali promosse dal Fondo, a partire da uno screening quantitativo che utilizza metriche provenienti da un fornitore di dati indipendente, International Shareholder Services (" ISS "), e confrontando tali risultati rispetto a soglie proprietarie del Gestore degli investimenti. Se un'azienda non supera la prima fase, viene condotta una seconda analisi di natura qualitativa, basata su tutti gli aspetti della ricerca fondamentale del Gestore degli investimenti.

		<p>Con frequenza trimestrale, il Gestore degli investimenti esegue la suddetta analisi in due fasi per rivedere le società detenute dal Fondo in base alla promozione delle caratteristiche ambientali e sociali (rispetto all'impegno minimo di allocazione degli attivi) e di buona governance.</p>
Metodologie		<p>Il Gestore degli investimenti combina una valutazione dei punteggi ESG proprietari con criteri di esclusione e processi di impegno come metodologia per misurare il soddisfacimento delle caratteristiche ambientali e sociali promosse dal Fondo. Inoltre, il Fondo si è impegnato a detenere una quota minima del proprio patrimonio in investimenti sostenibili, il che comporta l'applicazione della metodologia di analisi PAI descritta in precedenza. Il Gestore degli investimenti adotta un approccio in due fasi, partendo da un controllo quantitativo che utilizza le metriche del fornitore di dati indipendente ISS, e confrontando tali risultati con le soglie proprietarie del Gestore degli investimenti. Se un'azienda non supera la prima fase, viene condotta una seconda analisi di natura qualitativa, basata su tutti gli aspetti della ricerca fondamentale del Gestore degli investimenti.</p>
Fonti trattamento dati e dei dati		<p>Il processo di investimento del Gestore degli investimenti utilizza sia la ricerca fondamentale interna che i dati esterni forniti da ISS per contribuire al soddisfacimento delle caratteristiche ambientali e sociali promosse.</p>
Limitazioni delle metodologie e dei dati		<p>Poiché il Gestore degli investimenti fa affidamento ai dati forniti da ISS, riconosce l'esistenza di limitazioni, come l'assenza, l'indisponibilità o l'inaffidabilità delle serie di dati.</p> <p>Pur riconoscendo che esistono limitazioni dei dati nel settore, il Gestore degli investimenti ritiene di ricevere dati sufficienti per gestire il Fondo in modo che sia allineato alle caratteristiche ambientali e sociali che promuove.</p>
Dovuta diligenza		<p>Il Gestore degli investimenti esegue la dovuta diligenza sugli attivi sottostanti sia prima dell'investimento che su base continuativa. Il Gestore degli investimenti si interfaccia direttamente con imprese beneficiarie degli investimenti, consultandone le relazioni di sostenibilità e altri documenti normativi depositati, nonché i dati forniti da ISS.</p> <p>Come descritto in dettaglio sopra, il Fondo intende investire in società che soddisfano l'analisi del Gestore degli investimenti sulle Società in fase di miglioramento ESG, mentre un team diversificato di analisti di ricerca con integrazione ESG include le informazioni riguardo alle Società in fase di miglioramento ESG nel processo di selezione dei titoli del Gestore degli investimenti.</p>
Politiche impegno	di	<p>Se il Gestore degli investimenti stabilisce che un'azienda in portafoglio non soddisfa più i criteri legati alle Società in fase di miglioramento ESG, cercherà innanzitutto di porre rimedio coinvolgendo l'azienda in questione. Qualora l'investimento sia ritenuto inappropriato rispetto ai criteri legati alle Società in fase di miglioramento ESG del Gestore degli investimenti e all'obiettivo e alla politica di investimento del Fondo, si adotteranno misure commercialmente ragionevoli per procedere al disinvestimento tempestivo o si potrà predisporre un ragionevole piano di disinvestimento. Non vi è alcun requisito generale per i disinvestimenti forzati.</p> <p>Il Gestore degli investimenti ha inoltre sviluppato principi e linee guida di voto, finalizzati a incoraggiare il progresso e la leadership delle aziende in settori quali:</p> <ul style="list-style-type: none"> • Ideazione di prodotti e servizi in modo allineato allo sviluppo sostenibile dell'economia mondiale • Politiche e pratiche per la gestione del capitale umano • Pratiche ambientali e mitigazione dei rischi
Indice riferimento designato	di	<p>Il Fondo non dispone di un indice di riferimento designato per soddisfare le caratteristiche ambientali o sociali che promuove.</p>

2. **No sustainable investment objective**

This Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment. The Fund commits to have a minimum proportion of 50% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy and / or with a social objective.

The sustainable investments are screened against the mandatory Principal Adverse Impact ("PAI") indicators in order to ensure the Fund's sustainable investments that the financial product partially intends to make do not cause significant harm to any environmental or social sustainable investment objective. In analysing this information, some results are binary, yielding a true or false value. Those metrics are listed here:

- Fossil Fuel Involvement (PAI 4)
- Negative Effect on Biosensitive Areas (PAI 7)
- UNGC OECD Guidelines Violations (PAI 10)
- Lack of Processes Around UNGC OECD Guidelines (PAI 11)
- Involvement in Controversial Weapons (PAI 14)

On the other hand, other metrics are non-binary, yielding quantitative values rather than true/false results. In order to make a judgment on these non-binary metrics, the Investment Manager has established a framework for acceptable thresholds which the Investment Manager has determined do not result in significant harm. The framework uses a combination of peer relative as well as absolute number rules. These non-binary metrics include:

- GHG Emissions – Scope 1 (PAI 1)
- GHG Emissions – Scope 2 (PAI 1)
- GHG Emissions – Scope 3 (PAI 1)
- GHG Emissions – Scope 1 & 2 (PAI 1 and PAI 2)
- GHG Emissions – Scope 1, 2, & 3 (PAI 1 and PAI 2)
- GHG Emissions – Emissions Intensity - Total Emissions Scope 1 & 2 (PAI 3)
- GHG Emissions – Emissions Intensity - Scope 1, 2, & 3 Emissions (PAI 3)
- Non-renewable Energy Consumption (PAI 6)
- Non-renewable Energy Production (PAI 5)
- CR Raw – Energy Use - Coal (PAI 5)
- CR Raw – Energy Use - Natural Gas (PAI 5)
- Energy Consumption Intensity (PAI 6)
- COD Emissions – Chemical Oxygen Demand (PAI 8)
- Hazardous Waste (PAI 9)
- Unadjusted Gender Pay Gap (mean) (PAI 12)
- Women on Board (%) (PAI 13)

The Investment Manager utilizes metrics that screen for investee companies that have been involved in violations of the UN Global Compact principles or OECD Guidelines for Multinational Enterprises. Additionally, the Investment Manager seeks to identify a lack of processes and compliance mechanisms to monitor compliance with the aforementioned UN Global Compact principles and OECD Guidelines for Multinational Enterprises, and avoid investment in such investee entities.

3. **Environmental or social characteristics of the financial product**

The environmental and social characteristics promoted by the Fund consist of investing in companies that meet the environmental, social and governance criteria of the Investment Manager and are deemed to be improving or demonstrating the potential to improve the trajectory of their ESG practices, while excluding companies involved in certain business activities that may not thrive in a sustainable future and are unwilling to change. The Fund's promotion of these characteristics is founded on a "Four Pillar Approach", encompassing corporate governance, product and services, human capital management and environment topics.

The environmental objectives of the sustainable investments in which the Fund partially invests include improved air quality, sustainable impact on ecosystem services, mitigation of climate change and climate physical risk exposure, mitigation of climate transition risk exposure, sustainable energy management, reduction of GHG emissions, mitigation of environmental lending risk, sustainable packaging and waste,

environmental product innovation, sustainable waste and hazardous materials management and sustainable use and protection of water and marine resources.

The social objectives of the sustainable investments in which the Fund partially invests include increased access to healthcare and medicine, access to finance, access to utilities, access to communications, customer privacy and data security, opportunities in health and nutrition, diversity and inclusion, community relations, labor rights and workplace safety, mitigation of raw material risk exposure, increased product quality and safety, chemical safety, talent attraction and retention, responsible finance, responsible product marketing and advertising and supply chain management.

4. **Investment strategy**

The Fund seeks to invest in companies that meet the environmental, social, and governance criteria defined by the Investment Manager, and are deemed to be improving or are demonstrating the potential to improve the trajectory of their ESG practices ("**ESG Improvers**") as determined by the Investment Manager's scoring process.

The Fund invests its assets, under normal circumstances, primarily in equity securities of global publicly traded companies listed or traded on recognised markets that meet ESG Improvers criteria (as described below).

The Investment Manager selects investments for the Fund based on an evaluation of a company's financial condition and its ESG practices. The Investment Manager applies "bottom-up" security analysis (evaluating each individual company rather than looking at movements in prices within a particular market or market segment) that includes fundamental, sector-based research in seeking to identify businesses that have high or improving returns on capital, barriers to competition, and compelling valuations. The Investment Manager believes that integrating ESG Improvers analysis into the investment process provides additional insight into a company's long-term competitive edge and helps identify risks that financial analysis might not fully consider.

A diverse team of ESG-integrated research analysts integrate ESG Improvers information into the Investment Manager's security selection process. The team of sector-based equity analysts is charged with finding compelling ideas within their respective sectors regardless of geography and market capitalisation. The sector analysts are not constrained by a particular investment style and can pursue any equity security that they perceive to be undervalued, whether it be based on valuation metrics or growth potential. Analysts value assets using traditional fundamental metrics, including but not limited to price/cash flow, EV/EBITDA, price/book and price/earnings and identify companies which appear to have compelling valuations relative to growth prospects over a 3-5 year horizon. The Fund will not target any specific industry, region or sector.

The Investment Manager believes that integrating material ESG Improvers analysis with traditional investment analysis can generate outperformance over the long-term and is tantamount to good investing. This has been a long-standing tenet of the Investment Manager's investment approach as a global asset manager. This belief is implemented through a structure of specialisation across three core ESG-integrated functions throughout the Investment Manager: (1) Fundamental Analysis, (2) ESG Improvers Quantitative Analysis and (3) Shareholder Engagement. When appropriate, the Investment Manager's ESG Improvers research and engagement process includes an assessment of:

- **Risk Exclusion Policy:** The Investment Manager's Risk Exclusion Policy seeks to avoid companies involved in certain business activities that may not thrive in a sustainable future and are unwilling to change.
- **Materiality:** The Investment Manager uses a "Materiality Map" which identifies ESG Improvers issues that are material to the risk and return profile of companies across Sustainable Industry Classification System (SICS®) industries. It serves as the foundation for the Investment Manager's research and engagement process. The Investment Manager's research analysts collaborated to develop the Materiality Map based on the Investment Manager's "Four Pillar Approach" (encompassing Corporate Governance, Product & Services, Human Capital Management and Environment topics) as well as guidance from the Sustainability Accounting Standards Board (SASB) Standards. Examples of material issues that span across the Four Pillars may include, but are not limited to including air quality, climate physical risk, climate transition risk, customer privacy and data security, diversity and inclusion, labour rights management, talent attention and attraction and board independence. The goal is to uncover risks and opportunities overlooked by traditional investors. The Investment Manager intends to update the Materiality Map periodically based on insights and forward-looking trends.

- **ESG Industry Relevance:** One component of the Materiality Map is called ESG Improvers Industry Relevance, which identifies whether ESG issues have a high, medium, low impact on the risk and return profile for that specific industry.
- **Rockefeller ESG Improvers Score (REIS)™:** As part of its investment selection process, the Investment Manager will assess potential companies using REIS™ and bottom-up, fundamental analysis of ESG performance and traditional investment factors. REIS™ ranks a company's improvement in performance on material ESG issues relative to industry peers.
- **Engage-ability:** The Investment Manager seeks to determine its ability to create value and catalyse change via engagement. The resulting engage-ability discussion may lead to an assessment of companies' willingness to improve and engagement targets, which outline key areas to deploy shareholder engagement techniques throughout the holding period.

In accordance with Article 8 of SFDR, each of the investee companies in the Fund's portfolio must be determined to follow good governance practices, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance. In order to make this determination, the Investment Manager utilizes negative screens, using data from third party providers, to rule out corporate involvement in certain thematic areas, including bribery, accounting, anti-competitive behavior, money laundering, child labor, forced labor, workplace discrimination, labor standards, and taxes. Additionally, the Investment Manager systematically screens against breach of international standards and failure to respect established norms.

5. **Proportion of investments**

It is expected that at least 50% of the Fund's net asset value will be invested in securities which will be aligned with the environmental and/or social characteristics promoted by the Fund. The Fund commits to have a minimum proportion of 50% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy and / or with a social objective. The Fund has a 0% minimum alignment with the EU Taxonomy.

This means that a maximum of 50% of the Fund's net asset value will be invested in assets which will be categorised as "Other". These other investments include cash and other cash equivalents that may be held as ancillary liquidity or for risk balancing purposes, in addition to investments that do not align with the environmental or social characteristics mentioned above. These investments may be used for diversification purposes or in order to achieve the investment objective of the Fund (which is not a sustainable investment objective). The Fund may use derivatives and other techniques for hedging and efficient portfolio management purposes. This category may also include securities for which relevant data is not available. There are no minimum environmental or social safeguards applied to these investments.

The asset allocation may change over time and percentages should be seen as an average over an extended period of time.

Exposure to investee companies shall be made directly by the Fund. As noted above, the Fund may use derivatives and other techniques for hedging and efficient portfolio management purposes, but such instruments shall not be used for the purposes of attaining the environmental and / or social characteristics promoted by the Fund.

6. **Monitoring of environmental or social characteristics**

On an ongoing basis, the Investment Manager monitors the proportion of the Fund's investments that align with the Investment Manager's ESG Improvers criteria.

Pre-investment, the Investment Manager uses a two-phase approach to monitor the attainment of environmental and social characteristics being promoted by the Fund, beginning with a quantitative screen using metrics from third party data provider, International Shareholder Services ("**ISS**"), and measuring those results against proprietary thresholds. If a company fails the first phase, a second phase is conducted which is qualitative in nature, and draws upon all aspects of the Investment Manager's fundamental research.

A combination of proprietary quantitative screens and data from ISS is utilised to measure the attainment of the Fund's environmental and social characteristics. The Investment Manager uses a "Materiality Map" which identifies ESG issues that are material to the risk and return profile of companies across Sustainable Industry Classification System (SICS®) industries. Also as part of its investment selection process, the Investment

Manager will assess potential companies using a proprietary scoring methodology called REIS™ and bottom-up, fundamental analysis of ESG performance and traditional investment factors. REIS™ ranks a company's improvement in performance on material ESG issues relative to industry peers and is further detailed below. The Investment Manager utilises data from ISS to validate its view on environmental and social characteristics of the Fund's investments. This includes reviewing a company to determine the minimum contribution to at least one UN Sustainable Development Goal (SDG) based on net sales, and whether the company has targets for green house gas ("GHG") emissions reduction.

On a quarterly basis, the Investment Manager carries out the two-phase approach outlined above in order to review the companies held within the Fund based on the promotion of environmental and social characteristics (in relation to the minimum asset allocation committed to), and good governance.

7. Methodologies for environmental or social characteristics

The Investment Manager combines an assessment of proprietary ESG scores with exclusion criteria and engagement processes as the methodology to measure how the environmental and social characteristics promoted by the Fund are met. In addition, the Fund has committed to hold a minimum proportion of its assets in sustainable investments which involves the application of PAI analysis methodology as is detailed above. The Investment Manager uses a two-phase approach, beginning with a quantitative screen using metrics from third party data provider, ISS, and measuring those results against the Investment Manager's proprietary thresholds. If a company fails the first phase, a second phase is conducted which is qualitative in nature, and draws upon all aspects of the Investment Manager's fundamental research.

The methodologies used are further detailed below.

- **Risk Exclusion Policy:** The Investment Manager's Risk Exclusion Policy seeks to avoid companies involved in certain business activities that may not thrive in a sustainable future and are unwilling to change. Examples include companies that:
 - Lack compatibility with international conventions, as defined by the Investment Manager and the data providers it subscribes to;
 - Derive revenues from certain business activities, such as but not limited to tobacco production, controversial and/or nuclear weapons, among others, above the Investment Manager's acceptable thresholds; and/or
 - Are engaged in certain business activities while not abiding by operational best practices, as defined by the Investment Manager.
- **Rockefeller ESG Improvers Score (REIS)™:** As part of its investment selection process, the Investment Manager will assess potential companies using REIS™ and bottom-up, fundamental analysis of ESG performance and traditional investment factors. REIS™ ranks a company's improvement in performance on material ESG issues relative to industry peers. These material ESG issues include, but are not limited to, air quality, climate physical risk, climate transition risk, customer privacy and data security, diversity and inclusion, labour rights management, talent attraction and retention and board independence. Under normal circumstances, the Investment Manager typically considers underweighting companies relative to the Benchmark with bottom third REIS™ rankings operating in industries where the Investment Manager determines that ESG information is material to the risk and return profile.
- **Engage-ability:** If the Investment Manager determines that a portfolio company no longer meets its ESG Improvers criteria (such as the development of controversial behaviour, an acquisition, a change of business mix or due to new information), the Investment Manager will first seek to remediate through engagement with the portfolio company. Where the investment is deemed inappropriate in respect of the Investment Manager's ESG Improvers criteria and the investment objective and policy of the Fund, a commercially reasonable effort will be made to divest promptly. If divestment is not practical or would be inconsistent with sound financial management, the Investment Manager will develop a reasonable plan for divestment. There is no blanket requirement for forced disposals, and there may be occasions where the exposure to undesirable investments or restricted activities (in respect of the ESG Improvers criteria) may take a period of time to be eliminated.

8. Data sources and processing

The Investment Manager's investment process uses both internal fundamental research and external data provided by ISS to assist in attaining each of its promoted environmental and social characteristics.

ISS have been selected as they are an industry leading data provider of specialised third party sustainability research. The Investment manager does not conduct a formal periodic review of ISS data, however it engaged in a due diligence exercise on ISS, and other potential providers, prior to making the determination to select ISS to provide these services to the Fund. The Investment Manager deemed ISS' data to be more comprehensive and of higher quality, as well as more aligned with the prescriptive themes outlines in the requirements of SFDR.

Data provided by ISS is processed/utilized within the first phase of the Investment Manager's two phase approach described above. The Investment Manager's internal research is processed and utilised in terms of initially identifying prospective investments for the Fund and also in the second qualitative phase of the investment process. The Investment Manager's framework to ascertain whether an investment company qualifies as a "sustainable investment" and satisfies the "do no significant harm" test includes a systematic screening on metrics related to all mandatory Principal Adverse Indicators (PAIs), also using ISS data.

In addition the Investment Manager utilizes negative screens, using data from ISS, in order to ensure that investee companies meet good governance standards.

To assess company involvement in different activities and to assess against PAI, the Investment Manager and ISS strive to obtain information directly from companies. Sources of data include shareholder engagement, annual reports, regulatory filings, sustainability reports, press releases, investor presentations, company websites, and other company disclosures. Industry databases may be cross-referenced to complement company disclosures.

Some data may not be quantifiable, particularly as investee companies' disclosure of the data required to make sustainability related and PAI assessments is limited, and in those cases a portion (but not quantifiable in terms of proportion as it depends on the portfolio construction at any given point in time) of the data may be estimated. As investee companies' disclosures and transparency improve, and more ESG data becomes verifiably audited and reviewed by companies themselves, the data availability should improve over time and the need for estimates will hopefully be reduced. Estimates are however not typically an issue for norm based research such as that pertaining to breach of international standards as it is based on information in public reports and in public statements and communication.

9. **Limitations to methodologies and data**

As the Investment Manager relies on data provided by ISS, it acknowledges that limitations do exist, such as missing or unavailable data sets. Some of the challenges around availability of data are detailed in section 8 above.

In addition, measurements and collation of data that involves snap shots, can have different reference timeframes. Due to point in time assessments of, for example, previous fiscal year revenues on an individual issuer, or statements made from such an issuer that has been subject to further qualitative analysis from a third-party provider, the assessment of sustainability and ESG factors for investee companies can result in a non-quantifiable margin of error. Lack of granularity in the data sources used in combination with using historical data published in, for example, annual reports means that there is both a significant time lag in snapshot metrics as well as challenges to data quality.

Limitations to norm-based research and controversial weapons research are related to the differences in methodologies rather than lack of or quality of data as they use publicly known alleged or verified incidents or controversies, such as violation of labour rights reported in the media.

Other limitations include a lack of ESG disclosure by issuers, a lack of data available from third-party providers on specific topics (such as biodiversity reporting), and a lag in the frequency with third-party providers publish updated ESG data points. As the regulatory landscape and expectations around company disclosure become formalised, it is expected that the quality and accuracy of data will improve.

A limitation within the data as referenced above, would trigger a second phase review, which is qualitative in nature, and draws upon all aspects of the Investment Manager's fundamental research to ensure that the environmental and social characteristics of the Fund continue to be attained. While it is acknowledged that data limitations exist in the industry, the Investment Manager believes that it receives sufficient data, as outlined above, in order to manage the Fund in a manner which is aligned with the environmental and social characteristics promoted by the Fund.

10. **Due diligence**

The Investment Manager conducts due diligence on underlying assets on both a pre-investment and an ongoing basis. The Investment Manager relies on engaging with investee companies directly, reading sustainability reports and other regulatory filings, as well as data provided by ISS.

As detailed above, the Fund seeks to invest in companies that meet the Investment Manager's ESG Improvers analysis.

The Investment Manager selects investments for the Fund based on an evaluation of a company's financial condition and its ESG practices. The Investment Manager applies "bottom-up" security analysis (evaluating each individual company rather than looking at movements in prices within a particular market or market segment) that includes fundamental, sector-based research in seeking to identify businesses that have high or improving returns on capital, barriers to competition, and compelling valuations. The Investment Manager believes that integrating ESG Improvers analysis into the investment process provides additional insight into a company's long-term competitive edge and helps identify risks that financial analysis might not fully consider.

A diverse team of ESG-integrated research analysts integrate ESG Improvers information into the Investment Manager's security selection process. The team of sector-based equity analysts is charged with finding compelling ideas within their respective sectors regardless of geography and market capitalisation. The sector analysts are not constrained by a particular investment style and can pursue any equity security that they perceive to be undervalued, whether it be based on valuation metrics or growth potential. Analysts value assets using traditional fundamental metrics, including but not limited to price/cash flow, EV/EBITDA, price/book and price/earnings and identify companies which appear to have compelling valuations relative to growth prospects over a 3-5 year horizon.

The Investment Manager believes that integrating material ESG Improvers analysis with traditional investment analysis can generate outperformance over the long-term and is tantamount to good investing.

11. **Engagement policies**

Responsible Investing and Active Ownership

Shareholder engagement is an important part of the Investment Manager's investment process. The Investment Manager views conversations with investee companies as a critical component of the investment process. Through engagement, the Investment Manager seeks to create long-term shareholder value and improve ESG standards globally. The Investment Manager considers itself a constructivist, not an activist. The Investment Manager's Proxy Voting & Shareholder Engagement Committee oversees the engagement process which is aligned with the Investment Manager's views of international best practices.

Engagement

The Investment Manager takes a constructive, consultative approach to interacting with portfolio companies. While many engagements are productive from the start, there are times where steps are taken with certain companies to escalate attention to ESG issues. The Investment Manager has also leveraged its active participation in prominent investor industry groups to inform its engagement approach. The Investment Manager's longstanding work with organisations such as CERES, PRI and the Interfaith Centre for Corporate Responsibility (ICCR) has, in the past, resulted in collaborative engagements with large multinational companies. The Investment Manager has also found value in participating in organisations dedicated to corporate governance, such as the Council of Institutional Investors (CII), to help enhance its own corporate governance analyses and will continue to do so when appropriate.

Engage-ability

If the Investment Manager determines that a portfolio company no longer meets its ESG Improvers criteria (such as the development of controversial behaviour, an acquisition, a change of business mix or due to new information), the Investment Manager will first seek to remediate through engagement with the portfolio company. Where the investment is deemed inappropriate in respect of the Investment Manager's ESG Improvers criteria and the investment objective and policy of the Fund, a commercially reasonable effort will be made to divest promptly. If divestment is not practical or would be inconsistent with sound financial management, the Investment Manager will develop a reasonable plan for divestment. There is no blanket

requirement for forced disposals, and there may be occasions where the exposure to undesirable investments or restricted activities (in respect of the ESG Improvers criteria) may take a period of time to be eliminated.

Proxy Voting

The Investment Manager believes that shareholder engagement and voting practices are interlinked. Voting is an integral part of the Investment Manager's responsibility as an asset manager of the Fund. The Investment Manager applies due care, diligence and judgment across all portfolio holdings in the interests of the Fund. Many ESG issues can be directly addressed through voting a proxy, and the Investment Manager believes that seeking to effect progress from within companies as a shareholder is an important way to provide impact and positive change. The Investment Manager sees proxy voting on behalf of the Fund as an effective market signal to the underlying companies.

The Investment Manager has developed voting principles and guidelines (the "**Guidelines**") that govern voting proxies in a prudent and diligent manner. The Investment Manager believes that non-financial issues such as ESG practices can have a significant economic impact on the value of an investee company, and evaluates these factors when voting on behalf of the Fund. The Investment Manager also believes that good citizenship is good business and that encouraging investee companies to improve their environmental and social responsiveness can lead to improved financial performance.

The Investment Manager does not automatically vote for or against any class of resolutions, but rather follows a list of preferences. When appropriate, cases are reviewed individually when the Investment Manager intends to deviate from the Guidelines. The Investment Manager will do so only after due research. The Investment Manager recognises that there are often circumstances that even well thought out guidelines fail to contemplate. Exceptions to the Guidelines can be made after further review has led the Investment Manager to conclude that a change in voting is warranted and in the best interests of the Fund.

On governance issues, the Investment Manager tends to favour resolutions that increase disclosure and reporting and that enhance the transparency of decision-making without placing an undue burden on the investee company or requiring the disclosure of proprietary or competitive information. In addition, the Guidelines favour proposals that:

- Preserve and enhance the rights of minority shareholders
- Increase the board's skill base
- Increase the accountability of both the board and management

With respect to environmental and social factors, the Investment Manager believes that companies should be able to demonstrate that they have appropriate policies and systems in place and that they encompass relevant sustainability risks and opportunities. The Guidelines seek to encourage progress and leadership from companies in areas such as:

- Production of products and services in a manner that is aligned with the sustainable development of the world's economy
- Human capital management policies and practices
- Environmental practices and risk mitigation

The Guidelines are based on three underlying principles, which the Investment Manager believes are fundamental to financial viability and long-term sustainability:

- The primacy of shareholders and the recognition of the standing of other stakeholders
- The independence of the directors and their duty to represent shareholders, including minority shareholders
- A commitment to promoting a culture of transparency and accountability throughout the investee company for sound corporate decision-making

The Guidelines address a broad range of issues reflecting the general views of the Investment Manager and are meant to be used in evaluating individual proxy proposals and to serve as a framework for exercising voting rights. They are not intended to provide a guide as to how the Investment Manager will vote in every instance. Rather, the Guidelines share the Investment Manager's view about corporate governance issues generally and provide insight into how the Investment Manager typically approaches issues on behalf of the Funds that commonly arise on corporate ballots. They are applied with policy discretion, taking into consideration the issues and facts specific to the investee company and the individual ballot item. They are not meant as a comprehensive guide for assessing a corporation or an industry.

12. **Designated reference benchmark**

The Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.