KBI Global Investors
Responsible Investment Policy

Version Number	Date and comment
1	First uploaded to Sharepoint. Original approved Dec 2021
2	Annual review and update, approved by the RI Ctee on June 7th 2023, adding material re Climate Change, biodiversity, regard to international codes of good business practice, and other minor edits

KBI Global Investors
Responsible Investment Policy

Overall approach to Responsible Investing

Responsible investing is a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership.

Our approach encompasses all aspects of responsible investing, as set out below.

> Integration: we explicitly include ESG issues in investment analysis and decisions for all of our portfolios, to better manage risks and improve returns.
>
> Screening: we apply filters to potential investments to exclude companies for investments based on the preferences, values and ethics of our firm and those of our investors.
>
> Thematic: for some of our portfolios, we seek to combine attractive risk/return profiles with an intention to contribute to specific environmental and social outcomes.
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> Engagement: we discuss ESG issues with companies to improve their ESG performance, including their ESG disclosures, and we do this both individually and in collaboration with other investors.
>
> Proxy Voting: we formally express approval or disapproval of the handling by companies of ESG issues through voting on resolutions at company shareholder meetings.

We implement Responsible Investing principles because firstly we believe that the use of ESG factors has positive effects on the risk and return of investments, and secondly because the use of RI principles in managing investments can help to achieve ESG goals which are worthy of achievement in their own right, and which are also in the best interests of long-term investors.

We recognise that as an investment manager we must exercise a fiduciary duty to our investors. Fiduciaries should act with due care, skill and diligence, investing as an ordinary prudent person would. In our view, this includes:

- incorporating financially material ESG factors into our investment decision making, consistent with the timeframe of the obligation,
- being an active owner, encouraging high standards of ESG performance in the companies in which we are invested, and
- supporting the resilience and stability of the financial system.

We consider the principal adverse impacts of investment decisions on sustainability factors, i.e., environment, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters, as set out below.

Environmental and Social factors are a fundamental underpinning of our **Natural Resource Strategies**, grounding the investment premise for our Water, Energy Solutions, Sustainable Infrastructure and blended strategies. Our team applies its expertise to evaluate the implications of environmental challenges, evolving world demographics, and opportunities in environmental solutions and then integrates these assessments into the overall fundamental assessment of companies. The Environmental, Social and Governance performance of a company and the principal adverse sustainability impacts of a decision to invest in that company are considered as part of our analysis of a company and are highly material factors in all investment (buy/sell/position sizing) decisions. We have determined, and published on our website, a list of material ESG factors and principal adverse indicators which we consider when assessing the ESG performance and principal adverse impacts of a company.

We Engage with companies where we identify particular Environmental, Social or Governance risks or issues. We also measure the Impact of our strategies (using alignment with the United Nations Sustainable Development Goals as a proxy), using our Revenue Aligned SDG Score (‘RASS’) methodology.

Responsible Investing is explicitly integrated into our **Global Equity Strategies**. These portfolios are constructed so that the overall ESG rating of each portfolio is materially higher than the benchmark. The Environmental, Social and Governance performance and principal adverse sustainability impacts of a decision to invest in the company are considered as part of our analysis of a company and are material factors in all investment (buy/sell/position sizing) decisions.

We Engage with companies where we identify particular Environmental, Social or Governance risks or issues. Some portfolios also exclude investment in certain controversial sectors, as determined by the Responsible Investing committee, and exclude investments in companies that score the worst overall ESG grade (“CCC”) from MSCI ESG Research. We target a better overall ESG “score” than the relevant benchmark for each portfolio, and for a lower carbon intensity.

We believe that there is a connection between dividend payments and corporate governance standards. Identifying companies with the ability to pay sustainable dividends, we believe, is a unique way to identify better governed companies, particularly in emerging markets. Firm-level corporate governance provisions matter more in countries with weaker legal environments or political instability and better governance is typically associated with higher dividend payouts. While equity investors can receive returns through capital gains or dividends, agency theory indicates that shareholders may prefer dividends, particularly when they fear expropriation by insiders; have concerns over the motivations of management; or there is a weak regulatory environment.

A very small percentage of our assets under management are invested in asset classes other than equities, and these assets are managed by external managers. For investments in fixed income securities, we seek to invest in collective investment schemes which are managed by PRI signatories and which have an appropriate responsible investing policy. For corporate bonds, we invest in collective investment schemes which have a similar screening policy to that which we apply in the management of our internally managed equities, where possible. For investments in property/real-estate funds, we will review the sustainability and/or responsible investing activities and policies of the external manager as part of our selection process and as part of our ongoing due diligence oversight. For all our investments with external managers (external collective investment schemes) we may Engage with the manager and/or exercise our votes as unitholders on relevant ESG issues, in line with the principles laid out in this Policy.

Climate Change and the *Paris Agreement* goals

Climate change is a business and economic issue with profound implications for investors. We strongly believe that our focus on this issue leads to better long-term investment outcomes for our clients. Climate change (and disclosure of related data) will continue to be a strategic priority for our firm in carrying out engagement. We engage constructively with the management of companies through direct conversations, collaborative initiatives with other investors and industry groups where it is merited as well as by active use of our proxy voting. We also are members of or signatories to industry initiatives and organisations such as the Ceres Investor Network on Climate Risk, the UN PRI, the CDP, Climate Action 100+, the Institutional Investors Group on Climate Change, and the Net Zero Investment Manager Initiative.

We strongly support the aims of the Paris Agreement and believe that climate change poses a material risk to long-term investors, and that investors can and should support climate change mitigation and climate change adaptation. Our policy is to support the aims of the Paris Agreement in a variety of practical ways, including but not limited to efforts to reduce the greenhouse gas emissions of our own operations and of investment portfolios which we manage, and collaborative and/or direct engagement with investee companies to encourage their alignment with the Paris Agreement goals.

We formally support the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

As a signatory of the Net Zero Investment Manager Initiative, we commit to reach net zero emissions for our assets under management by 2050, and (as a first step) to reduce the carbon intensity of our assets under management by 7.6% per annum on average, relative to the 2019 base year.

Initiatives and Industry Organisations.

We are members or supporters of, or signatories to, various Responsible Investing organisations and initiatives. These include (as of the date of this policy);

- Supporter of the Taskforce on Climate Related Financial Disclosures.
- Member of CERES
- Member of the Institutional Investors Group on Climate Change
- Supporter of the "Paris Agreement" on climate change
- Member, CDP (formerly the Carbon Disclosure Project)
- Signatory to the United Nations Principles of Responsible Investment ("PRI").
- Member of Climate Action 100+
- Member, Boston Area Sustainable Investment Consortium.
- Supporter of PRI 'Advance' engagement programme on human rights and social issue
- Member of Nature Action 100+
- Net Zero Asset Management Initiative

We are also members of one industry organisation in Ireland which is not specifically oriented towards Responsible Investing. This is the Irish Association of Investment Managers. We regularly review and monitor the policy activities of that organisation and our Chief Executive Officer confirms to the Responsible Investing Committee annually that the policy activities of the organisation is consistent with our position on sustainable finance and our commitment to Responsible Investing.

Governance

The firm's Responsible Investing Committee has oversight of, and responsibility for, all Responsible Investing related issues including in particular ESG and impact reporting (internal and external), the implementation of this Policy, Engagement, Proxy Voting, the use of third party suppliers for ESG data and services, methodology whereby Responsible Investing principles are integrated into investment decisions, Responsible Investing training, and Amundi Group, firmwide and strategy-level exclusion policies (as applicable).

This committee comprises of senior staff from the investment, client servicing, operations and compliance teams, co-chaired by the Chief Investment Officer and the Head of Business Development. The committee is constituted as a sub-committee of the firm's Executive Committee and has formal Terms of Reference.

This policy is reviewed annually by the committee, and applies to all of our assets under management.

Exclusions

Our products will not invest in any company which violates, repeatedly and seriously, one or more of the ten principles of the UN Global Compact. To implement this, we use data from data providers which rely on international conventions such as the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights as sources of data to determine risk exposure of companies' geographies of operation and business segments.

Our portfolios' Sustainable Investments (as defined in the EU Sustainable Finance Disclosure Regulations) align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the use of environmental and UNGC (UN Global Compact) controversies screening as an indication for alignment with OECD guidelines / UN guiding principles along with other tools including ESG scores and research as part of the investment.

Our products will not invest in companies manufacturing land mines, cluster bombs, depleted uranium, biological and chemical weapons. We also do not invest in companies which have a significant involvement with coal-fired electricity generation or coal extraction (mining), , or which manufacture tobacco products, or which have revenues from unconventional oil and gas extraction, in excess of certain thresholds.

Some of our portfolios exclude companies that have material connections to certain controversial industries, e.g., predatory lending and weapons, and exclude investments in companies with the lowest overall ESG score as calculated by an independent external ESG research company.

We are aware of the rising, and dangerous, threat to global biodiversity. We have not implemented a specific exclusion policy related to biodiversity and deforestation as of the date of this policy as in our view there is a lack of good quality data that would allow us to formulate a suitable exclusion policy, but we are monitoring this issue closely and may implement such an exclusion in due course. We will continue to engage with relevant companies on this topic and to grow our understanding of the issue, and to monitor various biodiversity-related indicators, particularly relevant Principal Adverse Impact indicators under the EU's Sustainable Finance Disclosure Regulations.

Firm-wide screens are updated from time to time based on evolving investors preferences and regulatory developments.

It is our policy to facilitate clients who wish to exclude investment in certain companies or sectors, on a separate account basis, using either lists of securities supplied by the client and/or using negative screens provided by an external provider.

It is the responsibility of the Responsible Investing Committee to consider exceptional controversial issues relating to a specific company or country, and whether the entity should be placed – on an exceptional basis – on the house exclusion list due to the very serious nature of the behaviour.

Proxy Voting

A Proxy Voting Policy is in place and is reviewed annually by the Responsible Investing Committee. Below are the high-level principles – full details are contained in that policy which is available to the public via our website.

- We vote all proxies for all securities where we are able to do so.
- Our approach in exercising our proxy votes is to follow the principles of the UN PRI. In practice this means that we employ ESG risk indicators to identify moderate to severe ESG risk factors within companies and hold culpable board members accountable for failure to sufficiently oversee, manage or guard against material ESG risks. We particularly focus on transparency and reporting, and we generally support shareholder initiatives insofar as they request enhanced transparency on ESG issues.

- We disclose to clients and to the public full details of all our votes, including the rationale for our vote in every case.
- We use the services of an external specialised proxy advisory firm to provide us with voting recommendations and to carry out the administration and execution of our voting decisions.
- Notwithstanding the use of an external proxy advisor, the final decision on all votes remains with our firm.
- The firm's Proxy Voting Committee, a sub-committee of the Responsible Investing Committee, has responsibility for adjudicating on votes where the Portfolio Manager disagrees with the recommendation from the external proxy advisor and such other controversial votes as may be referred to it, and for managing any conflicts of interest between our firm and the portfolios we manage, or the issuers of securities owned by the portfolio.
- We may notify investee companies of our voting decision either before or after the vote, and we will explain our decision to any investee company on request.
- If stock lending is carried out for a portfolio, the Portfolio Manager is notified of forthcoming proxy votes in good time so that the PM can request the stock be recalled from loan to allow our vote to be exercised.

Engagement

The firm has an Engagement Policy which is reviewed regularly by the Responsible Investing Committee.

That policy (which is available to the public on our website) sets out in detail our approach to engagement, which follows the high-level principles below.

- Engagement is carried out both individually and in collaboration with other investors.
- The aim of our Engagement activity is to improve the ESG performance, including ESG disclosures, of companies in which we invest or may invest.
- The Responsible Investing Committee determines strategic priorities for engagement, but engagement may be initiated for a range of reasons and is not limited to those priority topics.
- Engagement activity is logged, including whether the objective of the Engagement is achieved in full or in part.
- Engagement activity is reported to clients and the public on a regular basis, including in our annual Responsible Investing report. In rare cases we may not disclose the name of a company with which we are engaging if to do so would make the achievement of the outcome of the engagement less likely.

Reporting & Measurement

We report on many aspects of our Responsible Investing activity.

We report full details of all our proxy votes on our website, made available to the public, including the voting rationale behind each vote.

We publish an annual Responsible Investing report, with details covering all aspects of our Responsible Investing activities and policies.

For our Global Equity strategies, the portfolios are constructed so that the overall ESG rating of each portfolio is materially higher than the benchmark, and the carbon intensity is lower than the benchmark. We report on a quarterly basis on the ESG "score" of each strategy and the carbon intensity of each strategy, and provide a detailed comparison of those metrics compared with that of its benchmark.

Impact investing is a type of sustainable investing strategy where an investor seeks financial returns alongside a measurable positive impact on society or the environment. In that context, we measure and report on the extent to which investments in our Natural Resource equity strategies are aligned with the achievement of the United Nations' Sustainable Development Goals as a proxy for Impact.

We also report on the carbon footprint and related metrics of our Natural Resource strategies.

Internally, the Responsible Investing Committee formally reports to the firm's Executive Committee which in turn reports to the company's Board.

Training

Given the ever-evolving nature of Responsible Investing, it is our policy to provide significant training to relevant staff, including investment staff and dedicated responsible investing staff in particular, in order for them to develop and maintain their knowledge and expertise in this field. The Responsible Investing Committee reviews training needs twice annually.

Conflicts of Interest

KBI Global Investors always endeavours to act in the best interests of its clients. The firm has a robust Conflicts of Interests policy in place which is made available to all staff and published on the company website. Where conflicts do arise, they are always reviewed bearing the client's best interests in mind.

RI Policy Governance

KBI Global Investors' Responsible Investing committee is responsible for reviewing the Responsible Investment Policy and recommending it for final approval to the KBI Global Investors Executive Committee. The Responsible Investing committee reviews the policy at least annually and recommends any necessary changes.

Approved by Responsible Investing Committee on June 7th 2023