



RESPONSIBLE INVESTING POLICY

Effective date: January 1, 2022

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Purpose

IMCO's Investment Governing Policies are intended to provide for principled, consistent application of investment management practices for our clients and to promote transparency in our investment approach.

The Responsible Investing Policy ("Policy") documents key commitments and guidelines for IMCO's approach to the incorporation of environmental, social and governance (ESG) considerations within the investment process. This Policy should be read in conjunction with the guidelines issued under it.

Scope

This Responsible Investing Policy outlines how we approach ESG issues for the investment strategies and portfolios managed by IMCO.

ESG Beliefs

The following are IMCO's Investment beliefs on ESG which underpin this policy:

1. ESG issues impact investment returns and risk, and therefore should be integrated within our investment process.
2. Climate change presents both a systemic investment risk and opportunity, and we should consider the potential impacts of the transition to a low-carbon economy and the physical impacts of different climate outcomes.
3. Governance matters and will continue to be central to our investment decision-making and the assessment of companies into which we invest.
4. Diversity and inclusion contribute to long-term sustainable performance and we will integrate diversity and inclusion into our investment process, where possible, and take steps to encourage better practices.
5. The four pillars of IMCO's ESG strategy - Integration, Stewardship, Sustainable Investing and Screening - are designed to improve risk-adjusted investment outcomes for our clients.

Key Principles

IMCO's Responsible Investing Policy supports IMCO's mission to provide clients with strategic portfolio construction advice, investment opportunities and products, risk management and client services. This approach is also aligned with IMCO's core values of integrity, public purpose, respect, innovation, and continuous improvement and collaboration.

As such, IMCO is a signatory and is committed to the United Nations-backed Principles for Responsible Investment (PRI)¹. The six Principles are:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.

5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

IMCO’s focus is on delivering the risk-adjusted investment returns that can help clients meet their long-term financial objectives. We consider ESG issues as a part of our management of risk and investment opportunities in a manner that is consistent with our fiduciary duty obligations to our clients.

ESG Considerations

IMCO defines Responsible Investing as an approach that incorporates ESG considerations into the investment process, to better manage risk and generate sustainable, long-term returns.

IMCO recognizes that there is a broad set of ESG issues that are increasingly material and important (please see table below for examples).

Environmental (E)	Social (S)	Governance (G)
Issues relating to the quality and functioning of the natural environment and natural systems.	Issues relating to the rights, well-being and interests of people and communities.	Issues relating to the governance of companies and other investee entities.
<ul style="list-style-type: none"> • Climate Change • Energy • Water • Waste and pollution • Biodiversity 	<ul style="list-style-type: none"> • Diversity, equity and inclusion • Health and safety • Human rights • Human capital management • Supply chain management 	<ul style="list-style-type: none"> • Board structure, diversity, and independence • Business ethics • Executive compensation • Accounting and audit quality • Risk management • Cybersecurity

IMCO identified climate change, diversity, equity and inclusion, and governance as priority areas to focus on in our investment process.

Climate Change

IMCO will take steps to identify and manage climate change risks and opportunities with the aim of managing risk and enhancing long-term risk-adjusted returns. This includes improving processes around governance and strategy to manage climate-related risks and opportunities in line with the Task Force on Climate-Related Financial Disclosures (TCFD)ⁱⁱ recommendations.

IMCO acknowledges that there is an urgent need to accelerate the transition towards global net zero greenhouse gas emissions and is committed to net zero alignment by 2050 or sooner by joining the Paris Aligned Investment Initiativeⁱⁱⁱ. Our commitment is based on the expectation that governments and policy makers will deliver on their commitments to achieve the goal of the Paris Agreement, and in the context of fulfilling our fiduciary obligations.

Diversity, Equity and Inclusion (DEI)

DEI can contribute to better idea generation and outcomes. We will ensure our investment decisions include DEI considerations and encourage best DEI practices among our managers and investee companies.

Governance

Good governance enhances corporate performance and IMCO will assess governance considerations across the investment value chain and encourage best practices.

ESG Strategy

Integration

ESG issues can impact investment returns and risk and therefore are integrated into our investment considerations. Material ESG risks and opportunities are incorporated across all asset classes, as outlined in the IMCO's ESG Integration Guideline. The degree of relevance, or materiality varies, as does the current state of integration across asset classes.

ESG practices and performance are considered in the evaluation, selection and ongoing monitoring of external managers, as outlined in IMCO's ESG External Manager Guideline. We will continuously review, evolve, and improve our ESG practices.

Stewardship

IMCO believes that stewardship helps us better manage risk and contributes to long-term investment performance. We will monitor and engage on material ESG issues with entities in which we invest and demonstrate our commitment to engage in a manner aligned to our investment beliefs.

Proxy voting is an important component of our stewardship. We take ESG considerations into account in our proxy voting activities and exercise our ownership rights by voting proxies diligently to enhance long-term sustainable value creation, as outlined in IMCO's Proxy Voting Guideline.

We will engage collaboratively with other institutional investors and through investor organizations when appropriate, including promoting ESG standards and best practices as well as providing input to regulators. If necessary, we will consider escalation of our engagement activities, which may include seeking governance improvements, collaborative engagement, or proxy voting. Divestment is also an option to be considered where there is a sustained risk to continuing the investment following ongoing unsuccessful engagement.

Sustainable Investing

IMCO believes that navigating longer-term sustainable trends and investing in companies delivering solutions to environmental and social challenges is likely to lead to improved risk management and new investment opportunities. As such, IMCO will research and consider sustainable investing opportunities that benefit from powerful trends and have a positive impact on society. Additionally, IMCO aims to increase our investments that contribute to the global transition to a net zero economy and support the UN Sustainable Development Goals^{iv}.

Screening

IMCO recognizes the importance of considering ESG related risks in the investment management process, including the requirement to screen companies for misalignment with IMCO's and our clients' core missions, values and risk and return criteria. We implement a screening framework, as outlined in IMCO's ESG Screening Guideline, that addresses which investments are ineligible to be included in our portfolios, and monitors to ensure that ineligible investments are excluded where we control the investment decision.

Transparency and Reporting

Consistent with IMCO’s expectation of disclosure on ESG practices and performance from the entities in which we invest, we are committed to reporting on our responsible investing activities to our clients and providing information publicly on our approach.

Policy Governance

Policy Review and Approval

The IMCO Document owner of this Policy for purposes of ensuring that it gets issued, reviewed and updated on a regular basis will be the President & CEO (or such other individual as may be designated from time to time by the CEO) and his/her designate. The Drafter and Document Monitor of this Policy will be Vice President, Responsible Investing, who will monitor compliance with this Policy on an ongoing basis to determine whether the objectives of this governing document are being met.

The Document Owner is also responsible for ensuring relevant IMCO senior executive team members (the “Applicable SET”) have been given a reasonable opportunity to review and comment on this Policy prior to it being approved by the Board (the “Approver”).

This Policy should be reviewed by the Document Owner and approved by the Approver at least **once every three years**.

Non-Material and Material Revisions

Any non-material revisions to this Policy (either resulting from the Document Owner’s reviews or otherwise) can be approved by the Document Owner at any time following a review of the changes by General Counsel (GC) or his or her designate and notice to the Board. Such non-material revisions may include edits to:

- i. cure any ambiguity, clerical or typographical errors;
- ii. clarify, correct or supplement any provisions which might be defective; or
- iii. satisfy any legal or regulatory requirement applicable to IMCO.

Any material revisions to this Policy must be first reviewed by the Board.

Exceptions

Any request for a non-material exception to this Policy must be approved in writing by the Document Owner and GC. Any request for a material exception to this policy must be approved by the Board.

ⁱ <https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment>

ⁱⁱ <https://www.fsb-tcfd.org/>

ⁱⁱⁱ <https://www.parisalignedinvestment.org/>

^{iv} <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>