

Responsible Investment Policy

1. History and Leadership

The Rockefeller's heritage in sustainability investing dates to the 1970s when the family office began public and private investment programs that considered environmental and social dimensions. Drawing on the intellectual capital built over the decades, today Rockefeller Asset Management ("Rockefeller") offers long-only equity, long-short equity, and fixed-income strategies that seek to deliver alpha and positive outcomes by leveraging our 30 years of ESG investing experience, 40 years of effective shareholder engagement, and a legacy that can convene global networks. We believe that ESG-integrated analysis emphasizing "Improvers" coupled with in-depth shareholder engagement will help deliver alpha and positive outcomes for our clients.

Rockefeller became a signatory to the Principles for Responsible Investment (PRI) in 2012. We are committed to reporting ESG-integrated and active ownership progress through PRI's investment manager framework, disclosing Assessment Scores, and monitoring responsible investing activity.

2. ESG Research Emphasizing "Improvers"

We believe that identifying and anticipating material ESG risks and opportunities are essential for long-term value creation. To help reinforce our process, Rockefeller's investment team has access to our proprietary Materiality Map, ESG Relevance Ranking, and ESG Improvers Score. The Materiality Map identifies ESG issues that are material to the risk and return profile of companies across 77 Sustainable Industry Classification System (SICS®) industries. Examples of material ESG issues include air quality, climate physical risk, climate transition risk, customer privacy and data security, diversity and inclusion, labor rights management, talent attraction and board independence, among others. In the years ahead, we believe that investors will increasingly differentiate between ESG Improvers and ESG Leaders, and that the former may offer the potential for generating uncorrelated alpha over the long run. Leveraging the Materiality Map, we built a quantitative process to weigh material issue, referred to as **Rockefeller ESG Relevance Ranking™**. Material ESG issues can have varying impacts on financial performance. Weights are adjusted based on the statistical significance of regressions investigating the relationship between financial performance and material ESG metrics. The **Rockefeller ESG Improvers Score™** was then constructed to isolate the component of a firm's ESG trajectory unexplained by traditional financial variables, making it useful when blending with traditional investment factors.

- **ESG-Integrated Equities:** Throughout the investment process for Rockefeller's long-only, long-short, and thematic equity strategies, we encourage in-depth ESG analysis and provide tools to assess material ESG issues and trajectory (improving, neutral or declining).
- **Fixed Income:** Rockefeller's ESG fixed income strategies aim to generate current income while seeking to preserve principal. We strive to provide stability in uncertain times by thoughtfully managing credit and interest rate risk. The fixed-income strategy leverages the ESG team to provide expertise and create frameworks for ESG analysis. The framework was developed by the ESG and fixed-income teams to help analyze use of proceeds and identify issues that may impact credit quality. Each bond issuance in Rockefeller's ESG strategies is assessed against a proprietary framework developed to align with the Sustainable Development Goals (SDGs).
- **Climate Change:** We believe that climate change will transform economies and markets via changing public policy, shifting next generation consumer preferences, and technological advancements. As a testament to our commitment, Rockefeller:
 - Participated in the United Nations Environment Programme Finance Initiative (UNEP FI) to develop models and metrics to enable scenario-based, forward-looking assessments of climate-related risks

and opportunities for our investments.

- Signed on as one of the initial supporters of His Royal Highness (HRH) The Prince of Wales Sustainable Market Initiative's (SMI) Terra Carta. The Terra Carta outlines ten areas for action and nearly 100 potential steps for businesses that puts Nature, People and Planet at the heart of global value creation. Through this initiative, we are participating in the Stewardship and Engagement Workstream which seeks to collaborate with companies on TCFD reporting and articulating transition plans to net zero by 2050.
- Committed to the Blue Economy Principles has helped us strengthen our leadership in thematic equity investments and environmental sustainability
- Act as advisors Network members on the High Level Panel for a Sustainable Ocean Economy. The Panel includes 14 world leaders who are building momentum for a sustainable ocean economy.
- Intends to report in alignment with the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD).
- Supports investor networks and initiatives such as the Carbon Disclosure Project (CDP) and The Investor Network on Climate Change of CERES, among others.

➤ **Sector Specific Investment Guidelines:** The Materiality Map provides guidance for over 65 industries, underscoring the nuances in material ESG issues between varying business activities.

3. Shareholder Engagement & Proxy Voting

Shareholder engagement is an important part of our objective to deliver alpha and positive outcome. We consider ourselves constructivists, not activists. Rockefeller's Proxy Voting & Shareholder Engagement Committee governs the process which seeks alignment with leading international organizations and frameworks such as the ICGN Global Stewardship Principles, OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and SDGs.

Shareholder Engagement

Our shareholder engagement approach seeks to reinforce our equity investment process by identifying material ESG issues and engaging with portfolio companies to create long-term shareholder value and catalyze positive change. For example, in Rockefeller's Global ESG Strategy, the investment or engagement team typically assesses "engage-ability" and determines "engagement targets" before purchasing a stock. We have developed a four-stage shareholder engagement "escalation process" to help increase the probability of an outcome. We track progress toward our targets and exercise our influence as shareholders in a constructive manner via regular meetings with investor relations, senior management, or boards of directors, letters, and investor collaboration. Case studies and summaries of our engagement activity can be found on our website. For more information about our approach to shareholder engagement, please reference our [Shareholder Engagement Policy](#).

In addition to PRI's tools and collaborative engagement groups, we leverage our participation in prominent investor industry groups to inform our engagement approach. Our longstanding work with the Interfaith Center for Corporate Responsibility (ICCR) has resulted in collaborative engagements in the U.S. financial services sector and with some of the biggest multinational companies in the United States. We also participate in the CERES Investor Network Corporate Engagement group which enables to dialogue with other investors about engagement priorities. We enhance our corporate governance analysis by participating in organizations such as the Council of Institutional Investors (CII). Our efforts in ESG integration benefit from our work with the Sustainability Accounting Standards Board (SASB).

Proxy Voting

We believe that shareholder engagement and proxy voting practices are interlinked. Voting is an integral part of our responsibility as an asset manager. We apply care, diligence, and judgment across portfolio holdings in the best interests of our clients. We see proxy voting as an effective market signal to our underlying companies and publicly disclose [Rockefeller's Proxy Voting Policy and Records](#).

Governance

Rockefeller's Proxy Voting & Shareholder Engagement Committee governs the process and is composed of leaders from across the organization. Working alongside the Committee, the ESG Team oversees the progress and implementation of Rockefeller's ESG investment process, sets strategic initiatives, and intends to review the Responsible Investment Policy annually.

4. Industry Leadership

We embark on thought leadership initiatives with academics, industry experts, and scientific collaborators to inform our research and engagement process. We are proud to be recognized as an ESG investing thought leader and actively participate in networks to promote ESG investing practices. For example, we have participated in the past, or continue to participate in, the following organizations:

- ICCR (Interfaith Center on Corporate Responsibility) (1996)
- Carbon Disclosure Project (2001)
- Ceres member (1999) and Carbon Asset Working Group member
- PRI Signatory (2012) and Plastics Working Group member
- Climate Action 100+ (2017)
- UN Environment Programme Finance Initiative (UNEP FI) TCFD Working Group founding member (2017)
- Council for Institutional investors (CII) members (2018)
- Sustainable Blue Economy Finance Principles Signatory (2018)
- Seafood Business for Ocean Stewardship (2018)
- UNEP FI Climate Resilience Risks & Opportunities Coalition (founding member 2019)
- SASB (Sustainable Accounting Standards Board) Alliance Member (2019)
- World Resources Institute (WRI) High Level Panel for a Sustainable Ocean Economy Advisor (2019)
- FAIRR Initiative (2021)
- HRH The Prince of Wales Sustainable Markets Initiative (2021)

5. Measurement & Reporting

We believe that long-term investment goals can be enhanced by identifying and anticipating ESG risks and opportunities that are material to a company's business growth and engaging with portfolio companies to create long-term value. As it relates to reporting and building customized portfolios:

- Reporting ESG and financial results depends on the objectives of the strategy. For example, we may report revenues aligned with the Sustainable Development Goals (SDGs) for thematic equity strategies or provide ESG and shareholder engagement highlights for dedicated ESG strategies.
- We recognize that there are ESG values important to our clients irrespective of their materiality. In those instances, risk and return objectives are considered alongside values alignment when building customized portfolios.

6. Risk Exclusion Policy

To help mitigate downside risk in our ESG strategies, we may avoid companies that lack compatibility with international conventions or have unsustainable business models. Examples include companies in violation of the UN Global Compact or controversial weapon manufacturers. Revenue thresholds may be applied to companies that are directly involved in certain activities with no plans to change their business operations. A sample of those activities include tobacco sales, major conventional weapons, abusive or corrosive lending practices, private prisons, and thermal coal. Note that exercising shareholder rights to advocate for ESG practices consistent with long-term value creation may be more suitable than exclusionary screens. In those instances, we may embark on shareholder engagement initiatives rather than excluding companies or business activities.

Exclusionary screens are reviewed periodically. After careful deliberation, and at our sole discretion, the Risk Exclusion Policy may be revised to reflect new information or circumstances. For clients interested in learning more, please request our Risk Exclusion Policy or sub-guidelines covering weapons, mining companies, and responsible marketing and advertising of alcoholic beverages.