

## **SHAREHOLDER ENGAGEMENT POLICY**

### **Global ESG Equity Strategies**

### **US ESG Equity Strategies**

### **Non-US ESG Equity Strategies**

#### **Introduction**

At Rockefeller Asset Management (RAM), we see shareholder engagement as an effective tool in seeking to create long-term shareholder value and improve environmental, social and governance (ESG) performance across portfolio companies. This Shareholder Engagement Policy (the “**Policy**”) outlines our approach to shareholder engagement. It aims to provide clients with insight into our holistic ESG process.

With respect to UCITS funds managed by RAM, this policy complies with the relevant regulatory requirements as prescribed under the Shareholder Rights Directive II (“**SRD II**”), and relevant local transpositions across the European Union. SRD II aims to promote shareholder engagement and improve stewardship practices across the European Union. We intend to report on our implementation of this policy annually. We will also publicly share our voting record. RAM provides additional ESG integration, shareholder engagement, and proxy voting reports to our clients on an ad hoc basis.

#### **Philosophy and Process**

Shareholder engagement is a core part of our investment process and an important area of focus for our organization. We believe that ESG-integrated analysis coupled with deep shareholder engagement can deliver strong long-term results for our clients. We also believe that companies working to improve their ESG performance will see stronger financial performance over time.

We seek to engage with the majority of the portfolio companies annually. Company engagement typically begins early in the research phase of our investment process and is employed throughout the holding period. The review of ESG factors is an important part of RAM’s investment and engagement process. We developed a proprietary Materiality Map that identifies ESG issues that are material to the risk and return profile of companies across 77 Sustainable Industry Classification System (SICS®) industries. It serves as the foundation for our research and engagement process. The Map covers a range of environmental, social and governance issues. Examples of material issues include air quality, climate physical risk, climate transition risk, customer privacy and data security, diversity and inclusion, labor rights management, talent attraction and retention and board independence, among others.

Before an investment is made, the due diligence process typically includes an assessment of ESG Industry Relevance (the importance of ESG factors relative to investment factors), material issues, and engage-ability. Engagement targets are often identified and over the course of the holding period we encourage companies improve on issues that can both enhance shareholder value and ESG performance. Our engagement process is intertwined with our investment process and fundamental research that allows analysts to gain a more holistic view of a company’s direction. The reputation of our firm and team helps us access management teams, boards, investor relations personnel, and corporate social responsibility teams. Many of our engagements are conducted through one-on-one dialogue and involve calls, emails, face-to-face meetings, or site visits. On occasion, we also participate in group stakeholder engagements with other like-minded shareholders.

We take a constructive approach to engagement, acting in a consultative manner with our portfolio companies. While many of our engagements are productive from the onset, there may be instances where we need to increase the intensity of engagements. This is achieved through our four-stage escalation process: 1) constructive dialogue, 2) official letter,

3) collaborative action, and 4) shareholder resolutions. This process is intended to maximize the effectiveness of our efforts to catalyze positive change. Overall, our process is thoughtful, intensive, and can take years to unfold.

## **Monitoring and Reporting**

We monitor portfolio companies throughout the life of the holding. This provides deeper insights into their corporate strategy, opportunities, risks, and ESG performance. It also gives us the opportunity to assess and report progress toward engagement targets.

For most strategies across our portfolio, including Global ESG, US ESG and Non US ESG, we provide quarterly updates on buy/sell decisions that include relevant context from an ESG perspective and, where appropriate, an update on shareholder engagement topics that may be underway. We report highlights from our engagements over the past quarter. Clients that request additional information may receive engagement highlights on a monthly basis in both qualitative and quantitative terms. The ESG team produces an annual report which provides a greater overview of specific engagements and/or areas of focus. The annual report shows the total number of engagements, thematic focus, alignment with the Sustainable Development Goals, and progress towards engagement targets. The ESG team also produces thought pieces on a variety of topics throughout the year and periodically publishes engagement case studies that showcase specific engagement efforts in greater depth.

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 may be ESG values that are important to our clients irrespective of their materiality. In those instances, risk and return objectives are considered alongside values alignment when building customized portfolios.

## **Voting Rights**

RCM has adopted a [Proxy Voting Policy](#) which seeks to ensure that any voting rights acquired generally in its activities are conducted in a manner consistent with the best and long-term interests of the investors for which we act.

Where RAM acts as portfolio manager with respect to a collective investment scheme such as a registered investment company, UCITS or private fund ("CIS"), our proxy voting will be carried out in a manner which is consistent with the investment objectives and policy of each CIS as well as ensuring that any potential conflicts of interest are appropriately identified and mitigated.

RCM has engaged Institutional Shareholder Services Inc. ("ISS"), an organization unaffiliated with RCM to assist with proxy voting. In addition to the execution of proxy votes in accordance with RCM's guidelines and record-keeping services, ISS also provides RCM with corporate governance information, and due diligence research related to making appropriate proxy voting decisions and vote recommendations. RCM retains final authority and responsibility for proxy voting.

Please refer to [RCM's Proxy Voting Policy and Records](#) for more information.

## **Cooperation with Other Shareholders**

In some instances, it is helpful to collaboratively engage alongside other shareholders or convening bodies in the pursuit of creating shareholder value and encouraging ESG improvement. All engagement with other shareholders is exclusively in the best interests of our clients.

## **Conflicts of Interest**

We actively seek to identify, mitigate and monitor potential conflicts of interest that may emerge in relationship with our engagement activities, and have adopted policies and procedures to address potential conflicts which may arise in connection with providing investment advisory services to clients.

Conflicts of interest may arise from the varying types of financial services and products offered by Rockefeller Capital Management and its affiliates ("RCM") and the types of clients that we serve. For example, Rockefeller Financial LLC and other RCM affiliates may provide strategic advisory services to both public and private companies and other types of clients including with respect to acquisitions, divestitures and capital raising activities. We and our affiliates may also provide investment advisory and other services to directors, officers and other persons who have material relationships with public and private companies or who own shares of public and private companies. We or our affiliates may also have relationships with pension plans and other investors who sponsor proposals or participate in engagement activities. In addition, certain directors, officers and employees of RCM and its affiliates may also serve as directors and/or officers of public and private companies or have a material relationship with or own shares in such companies.

RAM's policy is that engagement activities must seek to further the long-term interests of its clients and not the interests of RCM, its affiliates or their respective directors, officers and employees. RAM's ESG Engagement Team, in consultation with RAM's portfolio management team, is responsible for conducting engagement efforts on behalf of our clients. Members of these teams are required to disclose to the Rockefeller Proxy Voting and Shareholder Engagement Committee any potential material conflicts of interest that may arise in connection with performing engagement activities on behalf of clients, including any attempt by persons seeking to influence any engagement activity. Material conflict issues which are identified will be referred for resolution to the Rockefeller Proxy Voting and Shareholder Engagement Committee, which will consult with RCM's Conflicts Committee as appropriate.

## **Policy Governance**

This Policy and its implementation are overseen by the Rockefeller Proxy Voting and Shareholder Engagement Committee. The Committee will review the policy periodically and approve of any changes or updates.

Updated December 2021