

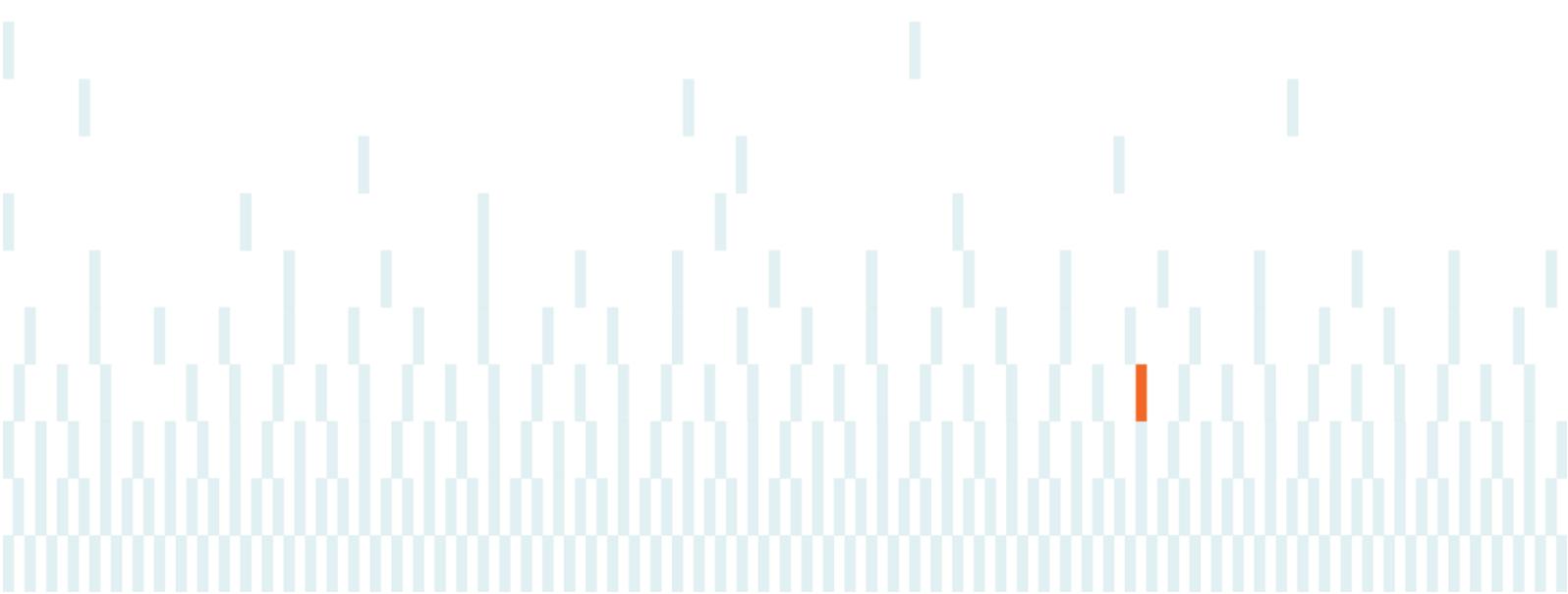
Responsible Investment Code

“Invest with Care”

18 February 2022

More information?

[riscura.com](https://www.riscura.com)



Defining Responsible Investment

RisCura defines Responsible Investment as strategies and practices to ensure that client capital is invested responsibly and in the best interests of stakeholders and beneficiaries. There is a growing realisation in the global investment industry of the importance of investing responsibly. Specifically, there is increasing recognition that for the allocation, management and oversight of capital to create long-term value for clients and beneficiaries, it must do so in a way that leads to sustainable benefits for the economy, environment and society.

RisCura's commitment to Responsible Investment

Given RisCura's "Invest with Care" brand promise, we clearly recognise our role as an important part of the chain in the allocation of long-term capital. We understand that our decisions and actions have a long-lasting impact on our stakeholders, the regions we operate in, and our planet. We believe that wealth creation should not be at the expense of broader societal goals; it should consider the downstream impacts across the stakeholder spectrum. Thus, our vision to create and sustain long-term value for stakeholders cannot be achieved without recognising our duty to uphold good governance practices, integrate ESG considerations within our processes, generate meaningful long-term impact, and to be responsible stewards of capital.

RisCura has demonstrated its commitment to Responsible Investment since it was founded in 1999. RisCura has been a member of the UN Principles for Responsible Investment since 2009 and has worked to uphold and further the principles across all regions it operates in.

RisCura is committed to the vision and principles of the United Nations Sustainable Development Goals (SDGs). We are constantly seeking opportunities within the business to incorporate sustainable processes and solutions for the betterment of clients, employees, and society as a whole. We actively participate in local Responsible Investment initiatives in all jurisdictions we operate in and seek to incorporate relevant practices into all we do.

RisCura's Responsible Investment philosophy

Our Responsible Investment philosophy is built on four core tenets: good governance, active ownership, ESG integration and material impact to create sustained value for clients and other stakeholders through the services we provide, and as responsible stewards of capital.

We maintain that a sustainable business is one that is conscious of the need to build a trusted brand through long-term relationships that demonstrate a deep and holistic understanding of ESG-related matters.

At RisCura, we strive to foster a culture that promotes the four core tenets of our Responsible Investment philosophy:

1. Leadership, action, and collaboration facilitate good governance and industry adoption of Responsible Investing best practice.
 - In recognising our fiduciary duty, RisCura believes that good governance is a cornerstone of being a responsible investor. To be a leader in this field, we should adhere to best practice at all times.

- RisCura values transparency as being fundamental to a culture we have built on trust and goodwill. RisCura recognises that conflicts of interest may arise in the course of doing business. We believe that the active management of potential conflicts of interest is essential for maintaining transparency.
 - At RisCura, we consider Responsible Investment to be a holistic and thematic endeavour. We collaborate across our different operations and strive to implement Responsible Investment themes and outcomes across the business and the broader financial services industry.
 - RisCura believes that industry engagement and collaboration play a vital role in the proliferation of awareness and broader understanding of the Responsible Investment landscape, associated ESG-related risks, as well as opportunities.
2. Active ownership fosters good corporate behaviour.
- RisCura favours engagement over exclusion. We believe that real change, and ultimately benefits to society, can only come from active engagement with asset managers and in turn with companies, which facilitates positive changes in their corporate behaviour. An approach based on avoidance and exclusion allows other actors to assume positions of influence with those companies. These actors may be less motivated to work for positive change.
 - RisCura believes that to effectively execute our duties with respect to clients and other stakeholders alike, we must be prudent and proportional in our stewardship activities.
 - RisCura recognises the importance of building dialogue with investment managers on active ownership practices to facilitate the proliferation of good corporate behaviour. The ultimate goals of this are to reduce risks, maximise returns, and drive positive outcomes across the broader stakeholder spectrum.
3. ESG integration is an intrinsic part of being a Responsible Investor.
- Responsible Investment extends beyond adherence to a list of rigid criteria. It involves the consideration of all issues related to the sustainability of long-term value creation for clients and other stakeholders alike.
 - RisCura understands that Responsible Investment is a dynamic endeavour. The ESG landscape is continuously evolving and requires ongoing assessment and revision.
 - RisCura recognises that a “one-size-fits-all” approach is often too simplistic. We thus understand that ESG-related issues should be considered on a case-by-case basis to ensure that Responsible Investment practices are conducted with the aim of gaining a deeper understanding of material issues and associated risks, as and when they arise.
4. Investing for impact promotes positive material outcomes within the real economy.
- Through its impact investing initiatives, RisCura views value creation not only as the process of generating financial returns, but also as that of driving systemic change for the benefit of all stakeholders.
 - RisCura recognises the importance of generating positive impact through evidence-based investments that generate social and environmental benefits alongside financial returns.

Implementation of Responsible Investment practices

Responsible Investment at RisCura is actuated through four principal practices:

Action 1: Lead and collaborate on Responsible Investment practices, both internally and externally, and enact sound governance to ensure transparent measurement and reporting.

We will ensure that the appropriate governance frameworks are in place to enable effective oversight and accountability with respect to our Responsible Investment practices. We will be transparent regarding our Responsible Investment policies and strive to accurately measure and report on all related practices, while proactively promoting sound governance internally. Where appropriate, we will consider collaborative approaches to promote acceptance and implementation of Responsible Investment codes and standards applicable to institutional investors.

Internally, RisCura enacts sound governance and ensures transparency through the following:

- The Responsible Investment Committee (RIC) is the custodian of RisCura's Responsible Investment framework. It consists of representatives from multiple business divisions and interacts with all business units across the various regions RisCura operates in. The RIC has a Terms of Reference (ToR), which guides its operation, and is a standalone committee accountable to the group Board of Directors.

From an external perspective, RisCura engages on policy where it is deemed appropriate and transparent. Most of our public engagement practices are coordinated through the various collaborative groups and associations that we are members of or advise from time to time. These include the PRI, and CFA Society, among others. We work closely with various stakeholders and participate in relevant industry initiatives to promote the continued improvement of the functioning and sustainability of financial markets in the jurisdictions we operate in.

Notwithstanding the disclosures required in accordance with various client requirements, RisCura's Responsible Investment Code and Conflict of Interest Management Policy are made publicly available to provide stakeholders with information and insight on:

- The philosophy around, and extent to which, we consider being a responsible investor.
- The manner in which we identify, prevent and manage conflicts of interest.

Action 2: Activate ownership responsibilities and support client stewardship.

RisCura encourages the investment managers we work with to be active owners of capital on behalf of our clients and embrace the incorporation of ESG issues into their investment practices.

RisCura supports client stewardship, and values client views and feedback that allow for the incorporation of more robust ESG practices, processes, products and services.

RisCura does not invest directly in companies, but allocates to (or recommends that clients allocate to) asset managers who are selected through a rigorous process and combined into portfolios that are tailored to client requirements. Thus, the fiduciary responsibility of proxy voting is delegated to those asset managers who are appointed and expected to vote, or otherwise engage, on a case-by-case basis, on all material issues. We firmly believe that these asset managers are best equipped to assess ESG factors in the companies they invest in, identify both risks and opportunities, and make

informed decisions on proxy voting and engagement for the ultimate benefit of clients. RisCura conducts ongoing monitoring and engagement with incumbent managers, where applicable, to ensure that they are acting for the ultimate benefit of clients and other stakeholders with respect to undertaking proxy voting and engagement activities.

Action 3: Drive the integration of Environmental Social and Governance (ESG) factors into investment processes.

RisCura drives the incorporation of ESG factors into investment analysis and decision-making processes throughout the investment value chain.

RisCura considers the influence of ESG factors to be fundamental to understanding long-term business performance and value creation. The RIC is the primary body for conducting ESG-related research and discussing the real-world application of the findings in improving RisCura's practices across the various business units. We continue to build on our understanding of the materiality of, and risks inherent in, various ESG factors and the implication for the investment value chain.

Within the investment industry, RisCura interfaces most with institutional investors and asset managers. For our institutional clients, we implement Action 3 through, *inter alia*:

- Consulting on how to integrate ESG factors into institutional investment practices.
- Drafting or redrafting existing investment policy statements to include ESG matters into investment processes.
- Training and upskilling fiduciaries on the relevance of ESG factors to holistic investment outcomes for beneficiaries.

When interfacing with investment managers, RisCura implements Action 3 by, *inter alia*:

- Conducting regular due diligence checks on both incumbent and non-incumbent managers with respect to their responsible investment practices.
- Detailed assessments of the incorporation of ESG factors in investment processes.
- Holding managers accountable to their engagement and proxy voting policies.
- Scoring managers internally on the quality of their responsible investment practices.
- Incorporating the ESG rating into determining a final investment assessment on any investment product.

Action 4: Contribute positively to the real economy, society and the environment through the implementation of specific impact investing initiatives and products.

RisCura ensures that positive, material contributions are made to society and the environment to achieve the Sustainable Development Goals (SDGs) through its impact investing initiatives.

In addition to delivering financial returns to clients, RisCura recognises its role in delivering developmental benefits to society. To achieve this, RisCura has launched a number of initiatives to contribute to the fulfilment of the SDGs with the intention of generating meaningful impact over the long-term.

With respect to our impact investing initiatives and products, RisCura adheres to four key characteristics:

- **Intentionality:** RisCura ensures that its developmental impact investments are made with the explicit intention of generating positive social and/or environmental impact alongside financial returns.
- **SDG-integrated investment design:** RisCura drives investment design utilising data-based evidence to ensure meaningful contributions to the SDGs.
- **Measuring impact:** RisCura is committed to accurate impact measurement, management, monitoring and reporting.
- **Industry growth through leadership:** RisCura drives industry growth by ensuring impact investment best practice is followed with respect to terminology, conventions, and indicators, and by sharing our developmental investment learnings to foster increased collaboration within the financial services industry.