

Cameron Hume Limited Responsible Investing Policy

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1 Definition of Terms

“Company” means Cameron Hume Limited.

“ESG” stands for Environmental, Social and Governance.

“ESG factors” are measures of non-financial performance that indicate an issuer’s exposure to environmental, social and governance matters.

“Environmental” refers to issues affecting the natural environment including climate change, resource and water scarcity, habitat and biodiversity loss, emissions to land, water and the atmosphere and waste generation.

“Governance” refers to issues regarding how issuing entities are ‘governed’. For corporate issuers, governance issues include board composition and skills, executive remuneration, accounting and audit practices. For sovereign entities, these include the quality of the state institutions, in particular the government, the fiscal and monetary authorities and the judiciary. For Special Purpose Vehicles, these include contractual protections as well as the protections offered by drafting law.

“Responsible investment” is an investment philosophy that incorporates environmental, social and governance (ESG) factors into investment decisions in the belief that this will improve risk management and lead to sustainable, long-term returns.

“Social” refers to issues that impact people and the societies in which they live. At the macro level, social issues include war, poverty, human rights, aging populations, dislocation and migration of populations, and topics such as access and right to education, health services and finance as well as legal protections for press freedoms, labour rights and free assembly. At a more local level, social issues are those affecting individuals whether they are employees, customers, suppliers or members of the local or broader community, and include human capital management, workplace and project labour rights, health and safety, supply chain management, and community relations.

“Staff” means all employees, contractors, consultants, interns, volunteers, vendors and other users including those affiliated with third parties who liaise with clients or potential clients of the Company.

2 Policy Framework

The Company is a signatory to the UN Principles of Responsible Investment (PRI). These principles guide the Company's approach to Responsible Investment and ESG issues.

The Principles require signatories to:

- Incorporate ESG issues into investment analysis and decision-making processes.
- Be active owners and incorporate ESG issues into our ownership policies and practices.
- Seek appropriate disclosure on ESG issues by the entities in which we invest.
- Promote acceptance and implementation of the Principles within the investment industry.
- Work together to enhance our effectiveness in implementing the Principles.
- Report on our activities and progress towards implementing the Principles.

The Company recognises the commitments of the PRI as a work-in-progress which provide direction for its responsible investment efforts, as articulated by the UN PRI.

The Company publicly reports its responsible investment activity annually, in accordance with the requirements of the PRI.

3 Responsible Investing Policy

The Company invests on behalf of its clients. In doing so, the Company, to the best of its ability, will identify the expected returns and associated risks of an investment relative to peers, therefore achieving sustainable returns within its clients' performance targets and risk appetite.

The Company believes that an issuer's consideration of ESG factors may have an impact on the likely returns and the distribution of those returns. Therefore, these factors can affect the likelihood of our clients achieving sustainable returns from an investment in the obligations of that issuer.

The Company uses the research facilities of MSCI to corroborate the ESG factors facing any issuer in which it may consider investing on behalf of clients. MSCI provide the Company with issuer scores relative to suitable peers. The Company has integrated this data into its data warehouse. As a result, where MSCI scores are available, the Company can report to its clients on an individual ESG factor level the relevant MSCI ESG rating for their holdings and those in their choice of benchmark, at. Additionally, the Company can employ these scores within its analytical suite, CaTo, to identify issuers where ESG factors appear to be incorrectly priced.

As a fixed income investor, the Company has limited ability to directly influence the behaviours of the entities in which its clients invest. The Company acts as its clients' agent and said clients may, by virtue of their equity holdings or their reputation, be able to effect change more readily than the Company. Where appropriate, clients are informed of the ESG exposures in their portfolio, with attention drawn to particular exposures that they may wish to act upon. The Company considers active engagement by asset owners as likely to be significantly more effective in improving an issuer's management of its ESG risks and opportunities.

The Company seeks to engage proactively with its clients in order to determine their policies on ESG issues. The Company seeks to incorporate these policies in the Investment Management Agreements it signs with its clients, hence promoting the acceptance and implementation of ESG principles.

The Company seeks to engage proactively with the PRI and with other market participants and interested parties. This collaboration takes place via the PRI Collaboration Platform, participation in events and conferences and direct interactions with other market participants.

4 Exclusions & Screening

Exclusion and screening methods may conflict with exposures entailed by clients' choice of benchmark and the limitations imposed by their investment guidelines. Excepting requirements by law or regulation, the Company does not routinely exclude any sector or issuer from our clients' portfolio as this may expose them to other risk factors such as currency, rate sensitivity and credit risk that they may hold to be more material.

The Company seeks to weigh the expected returns and associated risks of an investment relative to its peers, a process which encompasses ESG issues as well as traditional financial and market factors. As a result, when considering investments, the relevant ESG factors are considered and we assess whether in our opinion those risks are adequately priced.

In general, the Company seeks to capture its clients' investment policies and responsible investing/ESG philosophies in the investment management agreement. The Company will implement clients' exclusion or screening policies via their segregated account.

For collective investment vehicles, the Company will have regard to the requirements of investors and potential investors in the vehicle and to prevailing market norms that may be represented in the policies of leading asset owners, national and supranational bodies. Where these views or norms reflect a requirement for exclusions and/or screening, the Company may include them within the guidelines for the collective vehicle.