

INSTITUTIONAL

SLGI ASSET  
MANAGEMENT INC.'S  
**ENVIRONMENTAL,  
SOCIAL & GOVERNANCE  
POLICY & PROCEDURES**

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The purpose of the Environmental, Social and Governance (ESG) Policies and Procedures is to outline overall philosophy and objectives, implementation and governance for SLGI's approach toward ESG. As a fiduciary, we seek, at all times, to act in the best interest of our clients.

SLGI believes that ESG factors may materially impact the financial performance of individual securities. As such, comprehensive active investment management should consider ESG factors across all dimensions of the investment process, including security and industry analysis, portfolio construction and risk management.

SLGI believes that ESG considerations need to be integrated into each individual investment process to effectively support overall value generation and risk management. As a signatory to the United Nations-supported Principles of Responsible Investing, SLGI is committed to implementing the six principles for responsible investing:

- We will each report on our activities and progress towards implementing the Principles.
- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.

### **Sub-Advisor Oversight Policy**

The SLGI Sub-Advisor Oversight Policy outlines the objective and scope of initial due diligence and ongoing monitoring procedures related to the engagement of sub-advisors. The following discussion provides further guidance specific to the initial assessment and ongoing management of ESG considerations reported to and overseen by the SLGI Investment Oversight Committee.

## **Procedure**

Any initial due diligence of a potential mandate includes an assessment of ESG integration in the investment process, in the context of the mandate's investment universe objectives and value proposition. As appropriate, this may include investment process considerations of areas such as:

- Comprehensive industry assessment
- Detailed security analysis in the context of the anticipated investment time horizon, engagement and proxy voting
- Portfolio construction, formal guidelines and constraints, sell discipline, risk management
- Monitoring, oversight and reporting

## **Evolution and best practices**

All mandates are subject to ongoing monitoring and periodic reporting and attestations by respective third party providers. As applicable, attestations include proxy voting records and changes to ESG policies.

SLGI may use external data sources to help validate ESG profiles of individual funds, and will engage with respective sub-advisors in cases where ESG profiles deteriorate versus peers, benchmarks or a fund's own history.

SLGI may also engage with sub-advisors to help enhance the effectiveness of ESG integration.

SLGI mutual fund investment policies and procedures include formal guidelines and constraints in the context of each fund's investment objective and universe.

Policies and procedures are mandate specific to reflect the nature and inherent risks of the underlying assets and will be reviewed and updated periodically to support adequate ongoing management of ESG considerations.

Adherence to applicable guidelines will be monitored on an ongoing basis, and breaches will be escalated as required.

SLGI mutual fund filings may include additional disclosure of ESG considerations, investment restrictions and /or risk management practices to provide transparent disclosure to unit holders.

Filings will be reviewed and updated periodically to support ongoing appropriateness of ESG disclosures.



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Global Investments  
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CELEBRATING  
*10 years*