



## GLC Responsible Investment Policy

Signatory of:



### Objective

The purpose of the GLC Asset Management Group Ltd. (GLC) Responsible Investment Policy is to formalize the inclusion of environmental, social, and governance (ESG) factors into GLC's existing investment management processes.

By formally considering ESG factors, GLC enhances the existing disciplined investment processes in place across the investment divisions.

### Approach

As part of the process to formally consider ESG factors, effective February 3, 2016, GLC became a signatory to the United Nations-supported Principles of Responsible Investing (UN PRI). The UN PRI is an international network of investors working together to put six Principles of Responsible Investment into practice.

It is important to note that the Principles are voluntary and aspirational. Paramount to GLC's approach to responsible investment is their fiduciary duty to maximize total return within the prescribed guidelines of the investment mandates. As a result, GLC will not exclude any particular investment based solely on ESG considerations. For an approach that specifically excludes investments based on ESG and other value-based criteria, GLC offers a suite of Socially Responsible Investment (SRI) mandates.

As a signatory to the UN PRI, GLC aims to contribute to the development of a more sustainable global financial system.

## Six Guiding Principals

GLC will aspire, where consistent with their existing fiduciary framework, to apply the following six principles:

**Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.

**Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.

**Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.

**Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.

**Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.

**Principle 6:** We will report on our activities and progress towards implementing the Principles.

GLC's initial focus will be on integrating ESG considerations into the due diligence process. GLC utilises the services of a leading third-party global expert in responsible investing to incorporate ESG issues in their analysis. As such, all equity and fixed income investment teams have access to specialized ESG research. In addition, the Chief Investment Officer oversees GLC's investment teams and monitors ESG risk exposure. The intent is to use ESG analysis to identify both risks and opportunities to enhance long term returns, and as an additional tool within GLC's well established and disciplined investment processes.

ESG considerations and approach to responsible investment within investment processes will be part of GLC's ongoing review and monitoring of third party managers.

## Engagement

In circumstances where GLC deems appropriate and consistent with GLC's existing disciplined investment processes, GLC will engage with corporate management teams (either directly or through the proxy voting process) on ESG issues.

## Reporting

In accordance with the UN PRI, GLC will report annually on their responsible investment activities. The transparency report will be publicly disclosed through the UN PRI website and available upon request.

## Review

GLC's Responsible Investment Committee, including GLC's President, Chief Investment Officer, Vice-President Marketing, and Chief Compliance Officer, will meet a minimum of two times a year to review GLC's progress. GLC will review the policy at least every two years.