



Environmental, Social & Governance Policy



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OUR APPROACH TO RESPONSIBLE INVESTING

As a leading Canadian fixed income asset manager, RP Investment Advisors LP (“RPIA”) applies best-in-class investment practices, and we strive to be a leader in the positive development of the investment management industry.

Our objective is to add value for our investors through a relentless focus on long-term capital preservation and growth. We believe that ESG factors can materially impact the risk and return profile of the corporate fixed income securities in which we invest, that understanding these issues enables us to better manage downside risk and presents new opportunities to create value for our investors.

We apply our responsible investment process across all strategies. We score issuers using quantitative metrics, conduct in-depth subjective credit research on holdings and practice active issuer engagement where we discuss and challenge issuers on ESG-related disclosures and business strategy. We then use these assessments to inform how we price risk across the portfolios. Over time, we have found that ESG-related analysis often informs other areas of our research and vice-versa. To this end, we have ensured that the entire Portfolio Management team is responsible for integrating ESG analysis into their process, whether through in-depth research or portfolio structuring.

As active bond investors, we occupy an important position amongst the capital providers to many corporations. While equity owners are often considered as having the largest influence over a company, we believe that debt investors have a meaningful role to play in company engagement. Our unique position as corporate bond investors provides us with opportunities to actively engage with a wide variety of companies and other influential groups such as regulators, credit rating agencies, and buy-side advocacy groups. Through these interactions, we advocate for our investors as stewards of their capital. This advocacy also applies to ESG-related opportunities and risks.

Our channels of communication include individual updates from senior management teams to discuss business results and outlooks, catalyst--driven conversations with management teams as part of a transaction and contributing to industry-driven comment letters and discussions where appropriate. In addition, we are in regular discussion with companies and syndicate desks of the underwriting banks regarding new issue transactions. We believe active engagement is an integral component of our responsible investment approach.

What is ESG?

ESG refers to the three central factors that are related to the sustainability and ethical impact of an investment in a company or business. We believe that ESG and climate-related factors play a critical role in defining risk and opportunities - both for invested capital and for RPIA. We discuss addressing ESG as it pertains to our investment process further in the Integration, Climate Change and Stewardship sections of this policy. Our commitment to incorporate ESG into our own operations is further discussed in the Firm Impact section of this policy.

Environmental

Environmental factors include the impact of a company on matters such as climate change, energy use, energy efficiency, emissions, waste and pollution. This includes their policies and initiatives to reduce negative environmental impact.

Social

Social factors include matters related to human rights, impact on local communities, labour practices and employee working conditions, health and safety of the employees and affiliates, employee relations and diversity, management of conflicts of interests and business ethics.

Governance

Governance factors include executive compensation, bribery and corruption, board independence, board composition and diversity, alignment of interest between the shareholders and the executives, shareholder rights and companies' policies relating to ESG.

Firm Impact

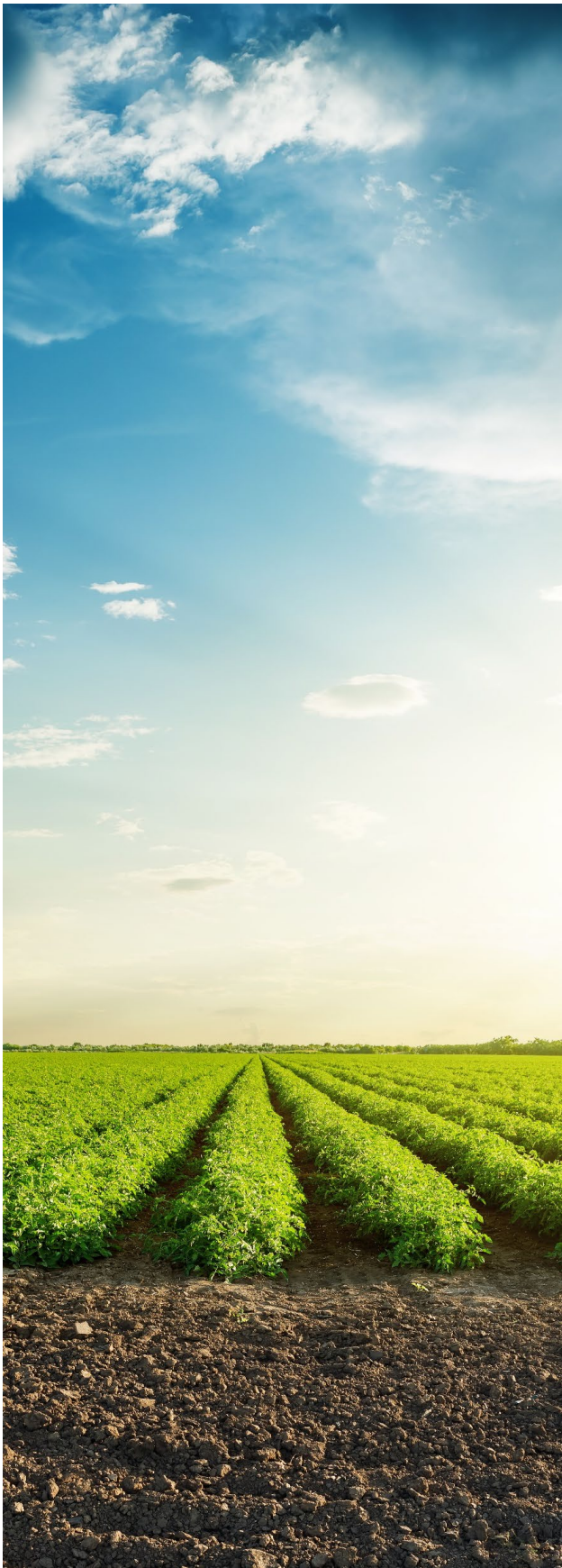
We are committed to applying the same ESG philosophy to our operations and culture that we do to our investment process. To solidify this commitment, RPIA has undertaken several key steps including an extensive ESG assessment and analysis of the firm operations to quantify our own carbon footprint, environmental impact, and to enhance our workplace diversity and inclusion.

RPIA's Greenhouse Gas (GHG) Emissions

In accordance with the recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD), we have quantified our GHG emissions using the GHG Protocol reporting standards which includes Scope 1, 2 as well as Scope 3 emissions resulting from our operations.

Allyship Committee

We have formed an Allyship Committee with a goal to inspire and educate all employees about how to do our part to act against social inequality and injustice. The Allyship Committee has unlimited membership, with the majority of the firm participating on a regular basis. It is a group of passionate individuals who share a same goal to help amplify voices of those who are disproportionately disadvantaged and marginalized based on their race, gender, religion, sexual orientation, and disabilities.



Employee Training & Development

We recognize the evolving nature of ESG and the importance of employee training and development to the success of ESG efforts. In order to continue to expand our expertise in the workplace, employees in client facing, portfolio management and research roles are required to take a course which focuses on responsible investing, sustainability and climate change, and/or sustainability accounting as applicable to their business unit and recommended by our ESG committee. All other employees in the organization are encouraged and financially supported to take one of these courses. Employee training and development needs are assessed by the ESG-committee by monitoring the progress of the ESG training plan of all employees, monitoring the environment and recommending new training and courses as they emerge and by organizing firmwide 'lunch & learn' sessions hosted either by internal employees or external guest speakers.

Climate Change

RPIA believes that climate change represents a key risk and opportunity for investors over the coming decades. In recognition of this, we have committed to incorporate specific climate risk analysis into our investment process. This includes:

- Analyzing the carbon footprint of issuers in the portfolios
- Analyzing how well issuers are positioned for a decarbonizing economy (transition risks)
- Engaging with issuers to discuss disclosure of climate change related information and their ability to adapt to a low carbon economy

We are a supporter of the TCFD. Our annual reporting includes sections aligned with TCFD recommendations for asset managers and we also promote and assess TCFD reporting from the companies we invest in.

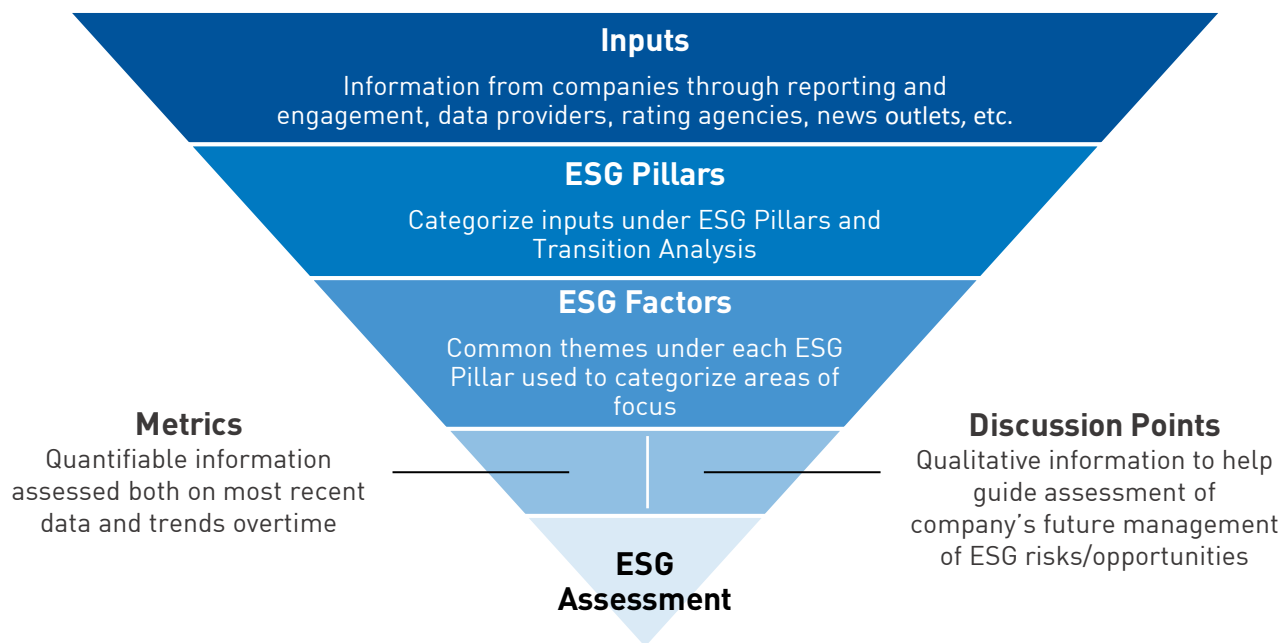
We also manage portfolios for our investors dedicated to providing a lower carbon footprint versus major corporate bond indices. We believe our expertise in this space helps inform our integration of climate change analysis into our overall investment process and provides opportunities to continue to refine our assessment of transition and physical risks.

ESG Integration

Considering ESG issues is an important part of our investment research and decision-making activities. It allows us to better understand the long-term risk and sustainability profile of the companies in which we invest. Integrating ESG issues into research can uncover new risks and opportunities that may not be highlighted by traditional analysis. We integrate ESG information into our investment process by:

- Formal ESG analysis and processes to evaluate and assess security issuers based on standardized internal ESG factors and ratings methodology
- Regular reporting of ESG analysis to senior management
- Dedicating resources within our Research Team to collect and analyze ESG criteria and sharing this information throughout the broader Investment Management Team
- Developing research templates and replicable processes to enable analysts and portfolio managers to identify and manage ESG risks systematically
- Providing ESG-specific training to all our employees

Our ESG Integration Framework applies to all strategies managed by the firm. We integrate ESG by assessing ESG factors alongside our fundamental credit analysis while also engaging with issuers on topics of disclosure and trends in their ESG information.



ESG Pillars – Components of our ESG Analysis

RPIA’s ESG Integration framework includes analysis across all three ESG pillars and focused analysis on both Climate Change and Diversity & Inclusion. The ESG Pillars encapsulate many of the long-term and large-scale trends which we believe will result in both risks and opportunities that all companies must address overtime. These Pillars has been designed to help our team aggregate ESG related information (both quantitative and qualitative) so that they may incorporate ESG-related risks/opportunities into their overall view on an issuer’s credit worthiness and relative value. We believe the content within these Pillars provides the necessary breadth to accurately assess ESG risks across the sectors within which we invest.

Metrics & Discussion Points

Underlying each ESG Factor is both an assessment of quantitative metrics and qualitative Discussion Points which vary based on which industry we are analyzing. Metrics are quantifiable and provide past and current data points to assess issuers relative to peers and the broader sector. Discussion Points are qualitative in nature and focus on policies and strategies being implemented by the issuer. These provide opportunities for us to capture the “narrative” underlying an issuers ESG strategy. Thus, Discussion Points are often covered through conversations with the issuer and related parties.



Determining Materiality

While the ESG Factors are common across all industries, their relevance to each sector and the content we assess varies depending on which industry an issuer operates in. RPIA’s materiality matrix uses both the SASB Standards (from the Value Reporting Foundation) and the TCFD as guiding frameworks for our own materiality assignments.

While our materiality matrix is guided by both SASB and TCFD, we have also utilized our individual sector knowledge to help define materiality across available data and qualitative inputs. We recognize that ESG disclosures and analysis is still in nascent stages for fixed income markets. We commit to periodically reviewing the available data and frameworks to ensure our definitions of materiality evolve with the industry.

	Environmental			Social				Governance		Transition	
	GHG Emissions	Energy & Resource Management	Ecological Impact	Community & Customer Impact	Diversity & Inclusion	Product & Supply Chain	Workplace Health & Safety	Board & Leadership	Ethics & Governance	Carbon Impact & Ambition	Projections & Alignment
Communications											
Consumer Discretionary											
Consumer Staples											
Energy											
Financials											
Health Care											
Industrials											
Materials											
Real Estate											
Technology											
Utilities											

Less Material

More Material

Stewardship

Our primary stewardship objective is to maximize the overall value to our investors. As an active fixed income investor, we occupy an important position amongst the capital providers to many corporations. This position allows us to actively engage with a wide variety of companies and other influential groups such as regulators, credit rating agencies and buy-side advocacy groups.

Issuer Engagement

Knowing how a company addresses ESG risks and opportunities can be a proxy for the overall management approach of the company leadership. We often engage with companies to discuss their operations and help (re)finance an issuer's debt capital. We believe that engagements with issuers are also opportunities to discuss ESG disclosure, risk and opportunities.

We incorporate ESG into our engagement practice by:

- Identifying industry- specific ESG issues on which to engage with issuers
- Advocating for initial/increasing ESG disclosures and assisting issuers in identifying material information
- Updating our understanding of the ESG profile and future plans of an issuer through engagement discussions
- Monitoring our engagement processes and reporting results to our investors

Engagements allow us to assess an issuers ESG profile on several fronts:

- Breadth of disclosures across different business areas and metrics
- Quality of information being provided
- Forward looking plans for ESG-related risks / opportunities
- How well management is executing on these plans

Engagement with issuers is prioritized by the following factors:

- The size of mandate/firm exposure to an individual issuer
- The level of disclosure provided by the issuer (with less disclosure requiring engagement)
- The materiality of ESG factors on financial and/or operational performance

Engagement with issuers can be conducted at the pre-issuance/pre-deal stage, at pre-investment stage, during the holding period, at any new issue/refinancing stage or if an issuer faces any material credit impact. When we discover specific challenges and opportunities, we engage corporate management teams to discuss ways in which those challenges and opportunities may be addressed. This can include expressing a desire for improved disclosure around ESG-related metrics, outlining appropriate structures for sustainability-linked funding, and encouraging companies to take more proactive positions on critical risks such as emissions reduction.

We aim to engage on ESG-related issues at most of our conversations with issuers. Discussion Points in our Barometer offer “guide-posts” through which we can engage with companies and focus conversations on material ESG risks and opportunities. We record engagements in RPIA’s internal research management system and tag them according to sector and issuer.

Advancing ESG integration through industry engagement

As an industry leader, we have an important role in increasing awareness and uptake of ESG integration. We do this by:

- Engaging with responsible investing networks and relevant industry groups on a company and/or employee level
- Encouraging issuing companies to disclose their ESG policies, practices, and performance to increase information availability
- Proactively contributing to industry education and development of ESG investment integration through publishing or collaborating on research papers and other relevant educational and informational material as well as engaging with industry participants and stakeholders through speaking opportunities
- Collaborating with industry peers to increase collective influence on ESG issues, when appropriate

Engaging with policymakers

We engage with the policymakers for a more sustainable financial system by:

- Participating in “sign-on” letters on ESG topics
- Using our memberships with Responsible Investment organizations like The Canadian Coalition for Good Governance (CCGG) & The Credit Roundtable

Proxy Voting

As a predominantly fixed income asset manager, RPIA generally does not invest in voting securities in a material manner. Where applicable we follow our documented Proxy Voting Policy which provides an overview and guidance of the corporate governance principles we support.

Where engaging in proxy voting activities, RPIA’s overarching policy is to exercise proxy voting rights in a manner that is consistent with the interest of our investors. Our policy also sets out clear guidelines for managing conflicts of interest matters that may arise from proxy voting activities. Where applicable, and as required by Canadian securities law pertaining to reporting issuers, the proxy voting records of the public mutual funds we manage are disclosed on the RPIA website.



Member Affiliations

In our commitment to ESG, RPIA has memberships and affiliations with various Responsible Investment organizations, which are leading the way to achieve positive change for the environment, social causes, and governance. As a member of the following organizations, RPIA will contribute to enhancing ESG integration practices in Canada and around the world.



UN Principles for Responsible Investing (UNPRI)

As a signatory of the internationally recognized United Nations Principles for Responsible Investment, organizations can publicly demonstrate their commitment to responsible investment, and places it at the heart of a global community seeking to build a more sustainable financial system.



FSB Task Force on Climate-related Financial Disclosures (TCFD)

The FSB Task Force on Climate-related Financial Disclosures aims to help companies understand what financial markets want from disclosures, to measure and respond to climate change risks, and encourage firms to align their disclosures with investors’ needs.



30% Club

The 30% Club’s mission is to reach at least 30% of representation of all women on all boards and C-suites. Business leadership is vital to the mission, taking the issue beyond a specialist diversity effort and integrating it into enterprise-wide strategy development.



United Way ILEO Charter

The United Way Inclusive Local Economic Opportunity (ILEO) Charter is committed to increasing economic opportunity that is shared and inclusive. We will take action to address growing economic disparity, which is one of the biggest challenges of our time.



Canadian Coalition for Good Governance

The Canadian Coalition for Good Governance (CCGG) promotes good governance practices in Canadian public companies and the improvement of the regulatory environment to best align the interests of boards and management with those of their shareholders, and to promote the efficiency and effectiveness of the Canadian capital markets.

Oversight and Accountability

Our ESG policy and related commitments are applicable to all RPIA employees as it relates to their role within the firm. RPIA's Chief Investment Officer is responsible for overseeing the implementation and ongoing monitoring of this policy. This includes oversight of RPIA Research Group's primary responsibility for implementing the policy objectives as part of the investment research and analysis process. RPIA's Risk & Analytics Group provides analytical support and ESG focused reporting while the The Compliance Group is responsible for oversight with respects to policy compliance and relevant reporting.

Governance over ESG risk is monitored through multiple levels of the organization. Governance monitoring is applied as it pertains to both the corporate level (our own operations) and the investment level (how we assess ESG risks for the assets we invest in).

The Executive Committee is ultimately responsible for overseeing how our operations and investment decisions address ESG risks. Their oversight is informed by the ESG, Investment, and Risk Committees which ensure we are addressing material ESG risks and opportunities both within the investment portfolios we manage, as well as our firm's operations.

Executive Committee

The Executive Committee of the firm is appointed by its General Partner to set long-term strategic goals for the organization, on behalf of its Limited Partners. In the context of this Policy, they ensure RPIA's corporate views on climate-related considerations are clear and upheld throughout all divisions, and ensure adequate resources are made available for the related initiatives.

They also receive updates on the firm's UNPRI Assessment Report and have specifically tasked the ESG Committee with improving the firm's ESG profile. Under advisement of the ESG Committee, the Executive Committee is accountable to ensure that the firm follows its stated ESG philosophy and aligns itself with industry best practices.



ESG Committee

The ESG Committee is a cross-functional body comprised of designees from all business units. The Committee's goal is to evolve and guide RPIA's firm-level approach to ESG as applied to our investment strategies, operations, and firm culture. The ESG Committee develops and updates the firm's ESG Policy as necessary and considers the adoption of new industry standards where appropriate. In addition, the Committee supports RPIA's ESG Innovation Team in its mandate of driving the firm's ESG integration by developing benchmarks, setting goals, conducting research, and providing recommendations to implement ESG-related practices within the workplace and our investment processes.

Investment Committee

The Investment Committee consists of senior investment professionals from the Portfolio Management, Risk, and Client Relationship teams.

As part of their regular monitoring, the Investment Committee reviews ESG scoring and related risks across portfolios. This includes discussing concentrations within each strategy, ranking of holdings, and analyzing changes in ESG-aggregated scores over time. Overly concentrated positions or investments in issuers who have low scores are often highlighted for further discussion with relevant Execution, Structuring, and Research Portfolio Managers, or elevated to the Risk Committee.

Risk Committee

The Risk Committee is chaired by RPIA's Chief Risk Officer and consists of senior Risk and Portfolio Management personnel, management advisors, Chief Financial & Operating Officer and Chief Compliance Officer.

The Risk Committee monitors all strategies against their respective Risk Policies, alerting the relevant decision makers on any portfolio positioning that is approaching policy limits, including ESG limits. The Risk Committee also independently evaluates market conditions to assess evident risks. The Risk Team also independently produces the ESG scores that are reviewed by the Investment Committee.

Portfolio Management

1	Research Portfolio Managers
	<p>The Credit Research Portfolio Managers conduct fundamental and relative value analysis on global sectors and issuers. Team members integrate ESG analysis into their coverage of sectors and issuers alongside more traditional credit fundamental analysis of the income statement, balance sheet, and cash flow statements and ratios. This analysis includes the use of RPIA's custom ESG scores, industry, and third-party data and trends, as well as whichever appropriate measures are disclosed by the issuer itself, including diversity measures, social impact activities, and governance policies, among others.</p> <p>The credit analyses are used to finalize an investment thesis and target valuation which is shared and debated more broadly within the Portfolio Management team. While Research Portfolio Managers integrate ESG analysis into their framework for all mandates, we are not precluded from investing in an issuer due to ESG risks (including those that are climate-related). Rather, the Portfolio Management team will ensure compensation is appropriate given the ESG risks debated or, should ESG risks prove to be too substantial, the team may decide that an investment is not appropriate at that time. Research Portfolio Managers may also recommend relative value positions based on an issuer's ESG strengths/weakness compared to peers in the same industry.</p> <p>Research Portfolio Managers also play an integral role in issuer engagement thanks to the number of management meetings the team holds on an annual basis. Team members often engage with issuers on ESG-related information, encouraging issuers to increase the level of disclosure and transparency when collecting and reporting pertinent ESG-related information, as well as other relevant ESG information, in line with TCFD recommendations.</p> <p>The Head of Research has the prerogative to exercise a veto on an investment if there are concerns from an overall ESG perspective following discussion with the respective Research Portfolio Manager(s) and members of the Structuring, Execution and Risk teams.</p>

2	Structuring, Execution & Quantitative Groups
	<p>The Structuring, Execution, and Quantitative teams are made up of seasoned investment professionals who construct and manage the portfolios and execute investment ideas across geographies/markets. These individuals are tasked with integrating a Research Portfolio Manager’s analysis with that of the Investment Committee to best structure the portfolio for maximum return relative to risk. Through ESG-integration we ensure that any ESG-related analysis, associated risks and considerations are included in the portfolio construction process. These teams are highly integrated with Research Portfolio Managers and (re)positioning is done collaboratively.</p> <p>In the case of specific mandates, the Head of Portfolio Management has ultimate responsibility to ensure the overall ESG scores of the portfolio are within policy limits relative to their objectives. This includes actively managing the composition of the mandate (in collaboration with Research Portfolio Managers and Execution) to continually produce strong risk-adjusted returns through investments that meets the ESG objectives and/or offer attractive risk premiums relative to ESG risks.</p>

Managing Conflicts of Interest

RPIA has implemented reasonable policies and procedures, including its Code of Conduct aimed at mitigating and managing conflicts of interests that may arise from the business activities of the firm. In accordance with applicable securities laws and regulations RPIA takes reasonable steps to identify and respond to conflicts of interest and will disclose the nature and extent of the conflict as appropriate.

Reporting, Disclosure, Marketing & External Communications

Providing transparent reporting and communication related to ESG integration into our investment management processes is a key element aimed to evidence and assess the implementation of our ESG policy and commitments and increases accountability to our investors. This includes the following formal and informal reporting activities:

UNPRI Reporting

As a proud signatory of the United Nations – Principles for Responsible Investment (UN-PRI), RPIA will report annually with respect to its compliance in accordance with the provisions of the UN-PRI.

RPIA's Website and Social Media

- Articles, whitepapers, and other written material relating to our ESG policy, implementation and related activities are developed for investor communications and where appropriate published on our public website and shared on our social media page on LinkedIn
- Sustainability Report which focuses on the firm's approach to sustainability and the progress made by the firm in the previous year is published annually on our website
- In our commitment to ESG, RPIA has memberships and affiliations with various ESG organizations. Our memberships and affiliations are shared on our public website and shared on our social media page on LinkedIn
- Additional ESG related information may also be made available to investors, potential investors, and their beneficiaries upon request.

Policy Review

This Policy will be reviewed every two years by the ESG Committee and updated, as necessary.

Important Information

RPIA is a signatory of the UN Principles for Responsible Investment and as part of our commitment, we consider Environmental, Social & Governance (“ESG”) factors as part of our firm-level activities, including our investment process. ESG factors are important considerations in our investment management process but is supplemental to our primary financial and credit research and analysis functions.

ESG factors that may be considered as part of our investment process include matters relating to climate change, energy use, energy efficiency, emissions, waste, pollution, matters related to human rights, impact on local communities, labour practices, employee working conditions, health and safety of the employees and affiliates, employee relations and diversity, executive compensation, bribery and corruption, board independence, board composition and diversity, alignment of interest between the shareholders and the executives, shareholder rights, and companies’ policies relating to ESG.

ESG integration, including components relating to issuer engagement, is a firm-wide investment approach but the weight and importance of it in our investment management process can vary across the investment funds we manage. Always refer to the relevant fund offering documents for important information on the investment objectives, strategies and associated risks of a particular fund. The consideration and implementation of ESG factors are also subject to RPIA’s internal investment and risk management policies and may be revised as a result of investment suitability requirements, current portfolio positioning and external market and economic factors.

The consideration of ESG factors in the investment process for RP Strategic Income Plus Fund and RP Alternative Global Bond Fund is weighted less than the core financial and credit analysis employed in the management of these funds. Please see the [simplified prospectus](#) for additional information.



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