

**RESPONSIBLE INVESTING AND ESG**

**AT**

**DUPONT CAPITAL MANAGEMENT**

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**DuPONT**  
CAPITAL

# RESPONSIBLE INVESTING AND ESG AT DUPONT CAPITAL MANAGEMENT

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- Screening and Proxy Voting
- ESG Governance
- ESG Committee Mission Statement

# ESG POLICY STATEMENT

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Since our establishment in 1993, DuPont Capital Management has had a long history of investing in a diversified set of opportunities across different asset classes that have delivered strong risk-adjusted returns for its clients.

As fiduciaries, we consider a wide range of top down and bottom up factors into our risk analysis and long-term outlook of a company or issuer, and the value of their securities. Our investment processes seek to identify and evaluate various factors, some of which are considered ESG, that may have a material impact on the investment risk and return profile for our investments. As a general rule, we will not include or exclude any particular investment based on ESG criteria alone, but we consider these to be important factors when conducting our investment research.

Our research analysts and portfolio managers examine ESG factors at the company and issuer level that may have a material impact on the credit worthiness, long term cash flow outlook, or risk profile for their securities and, therefore, investment performance. The types and relative importance of factors vary depending on the country, sector or individual issuer. Investments that have below average ESG practices are treated as having higher risk. DuPont Capital Management then evaluates whether the market is appropriately pricing the company's and issuer's expected performance based on those risk factors. We can consider securities for investment with below average ESG practices, but where we expect to see a marked improvement in their risk and ESG profile.

# ESG POLICY STATEMENT (CONTINUED)

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As long-term investors, governance plays a critical role during our assessment of investment performance, as we consider governance to be a cornerstone of any well-run sustainable business. Governance is not only a standalone risk factor, but it is also an important signal on how companies and issuers manage their long-term environmental and social issues.

We believe sustainability initiatives and disclosures are important indicators of how companies and issuers manage their operational costs and risks. We believe these initiatives reflect how companies and issuers adapt and improve their broader business practices in a dynamic environment and, therefore, are important indicators of investment performance.

# SCREENING AND PROXY VOTING

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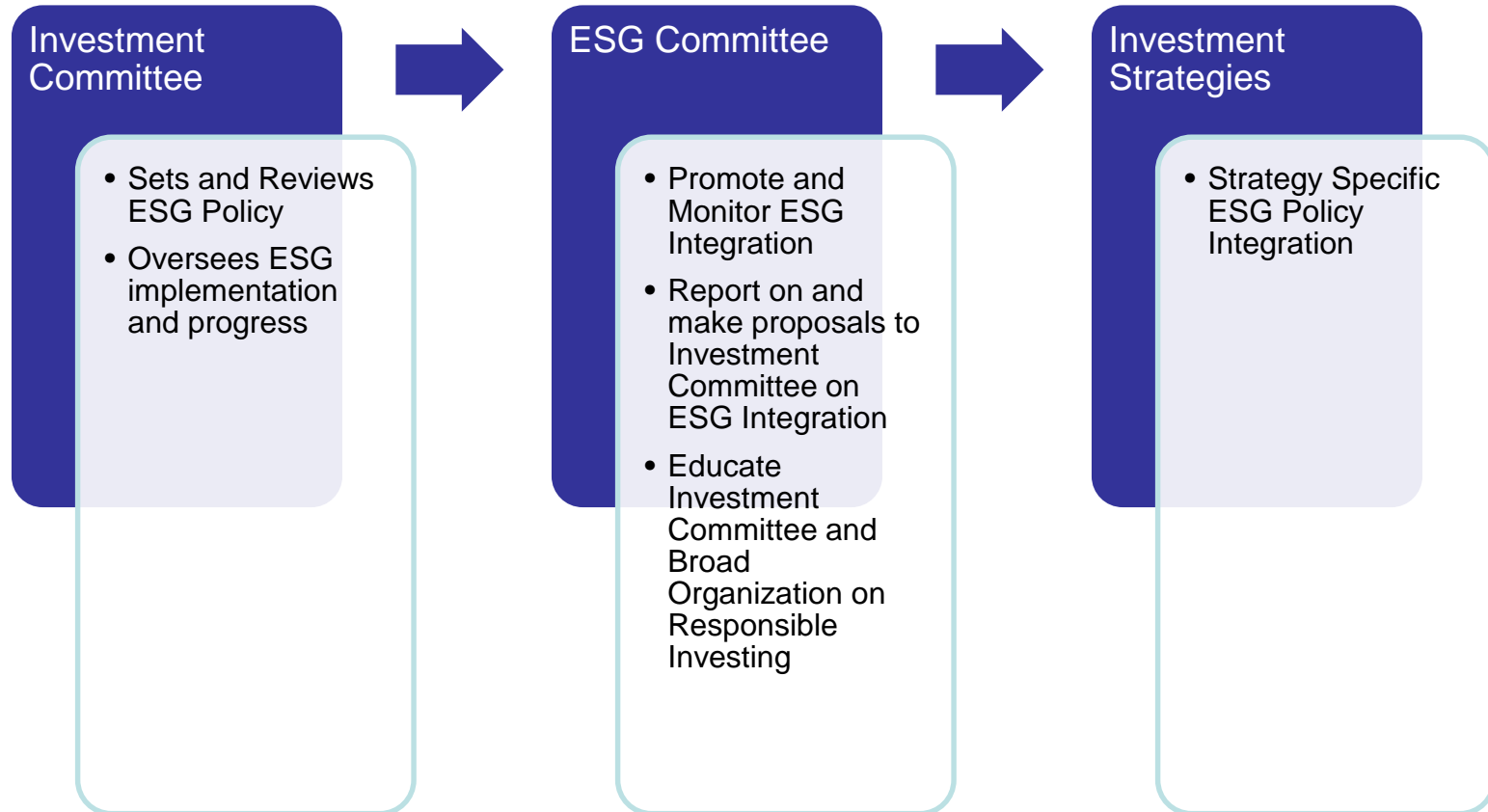
## DuPont Capital Management ESG Screening Policy

While we do not apply and run exclusionary screens ourselves, we offer portfolios that include specific screens or exclusions based on our client specific requests. The client requested screens can allow them to reflect specific values, beliefs, or preferences in their portfolios.

## DuPont Capital Management Proxy Voting Policy

The overall principle guiding our proxy voting is how the different proposals enhance or protect shareholder value in the long term. Our policy has a particular focus on Corporate Governance, including (but not solely) Board Compensation, Board Independence, Diversity, Shareholders' rights, the treatment of Share Buybacks, and Mergers and Acquisitions.

# ESG GOVERNANCE



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- ❖ The Investment Committee is comprised of the CEO and the Managing Directors of the different Investment Groups (Equities – Fixed Income – Alternative Investments).
- ❖ The ESG Committee has representatives of all investment groups, operations, and compliance.

# ESG COMMITTEE MISSION STATEMENT

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- ❖ Promote, monitor, and provide assistance with the integration of ESG factors in the investment processes of the internally managed assets and ESG Monitoring at the externally managed funds.
- ❖ Report on the ESG integration and market developments to the Investment Committee and RSP Committee to help set the appropriate ESG policy.
- ❖ Educate the broader DuPont Capital Management organization on the different aspects of Responsible Investing.
- ❖ Manage the external messaging regarding Responsible Investing at DuPont Capital Management.
- ❖ Monitor the evolution of Responsible Investing in academic research, regulatory environments and asset management markets.
- ❖ Engage in external activities to support the ESG effort at DuPont Capital Management.



# DISCLOSURES

These materials contain the current opinions of DuPont Capital Management and such opinions are subject to change without notice. These materials are for informational purposes only. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation to buy or sell any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but DuPont Capital does not guarantee the accuracy, adequacy or completeness of such information.

Registration of an investment adviser with the SEC does not imply any level of skill or training.

**NO PART OF THIS PRESENTATION MAY BE REPRODUCED IN ANY FORM.**

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.**

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