

# Responsible Investing Policy

## Introduction & ESG Mission Statement

Manning & Napier Advisors, LLC (Manning & Napier) has adhered to a fiduciary standard of care when managing our clients' portfolios since our firm was founded in 1970. With over 50 years of experience, Manning & Napier and its affiliates provide equity, fixed income, and multi-asset class investment solutions.

In building our investment solutions for clients, we evaluate all material risks because managing risk is fundamental to our core investment process. We believe that environmental, social, and governance (ESG) factors represent material risks that must influence the investment choices we make on behalf of clients. We have, therefore, begun formalizing the integration of material ESG risk factors into our investment processes with the goal of improving long-term outcomes for clients. In 2021, we cemented our commitment to integrating ESG factors by becoming a signatory to the UN-sponsored Principles for Responsible Investing.

In an environment where greenwashing and mis-characterizations of ESG efforts abound, we choose to be transparent about our efforts and our limitations. Under our ESG integration approach, we have determined that impact investing is beyond the scope of our core mission. While we will never own a company where the ESG risks outweigh the opportunity, we will not limit our clients' investment options based on moral values alone. Our clients retain Manning & Napier to balance their desire for portfolios that reflect responsible investing concepts against their need for return on capital and appropriate risk mitigation. We steadfastly believe that our approach to ESG best achieves the goals of our clients.

We view ESG integration as a value-based exercise, as opposed to a values-based exercise. This means that we focus on companies that are taking demonstrable steps to evolve toward a socially responsible state but do not exclude companies on the basis that they have yet to achieve those goals. We believe that incorporating ESG improves across Manning & Napier's core products offers our clients a unique opportunity to participate in a company's progress. Manning & Napier can engage with these companies on ESG concerns and promote change, which has the potential to enhance return incentives and makes the path to improvement an attractive opportunity for clients.

We view social and environmental factors as critical pillars of our ESG framework with governance as the foundation. We believe that everything a company does begins and ends with governance, including decisions that impact employees and adjacent communities, and decisions that result in environmental degradation. We define good governance as the development of a constructive culture that underpins the delivery of strong business performance without excessive risk-taking and through appropriate conduct of business operations. We judge a company's governance by the quality of its policies and processes and on the diligence and care with which the board oversees their implementation.

It is our mission to build on our formal and systematic approach to ESG investing. Through the work of our ESG officer and our investment analysts, we intend to expand our assessment of ESG factors and increase investor engagement to evaluate risks and actively participate in a company's evolution. We will continue to offer a differing perspective and to apply ESG integration as a value-based exercise. Above all, we will remain dedicated to achieving the highest outcome for our clients.

## Guiding Principles

### Fiduciary Duty

ESG risk integration is consistent with our fiduciary duty to always put our clients' interests above ours. We believe an evaluation of ESG factors is essential for long-term investment success.

### Managing Risk

Managing risk is central to Manning & Napier's investment process. ESG considerations can represent various forms of investment risks and must be evaluated and incorporated accordingly.

### Materiality of Factors

Material factors are those deemed most likely to affect the financial conditions or operating performance of a security, and materiality will differ between security types and industry/sub-industry. Using in-house and third-party resources, our investment analysts evaluate the materiality of ESG factors with each investment they recommend for client portfolios.

## Implementation

ESG factor/risk assessments are conducted across all our investment product offerings, covering fundamental equity, fixed income, and systematic investment strategies. The exact nature of the implementation is specific to the investment team and processes that drive our investment decisions and portfolio construction.

Manning & Napier actively invests in publicly traded securities, integrating ESG considerations for investments in all equities and corporate bonds in our clients' portfolios. ESG factor assessments are documented for each purchase of these types of securities. Our Research teams review portfolio holdings on an ongoing basis, including an examination of the materiality of ESG factors that may affect each security.

Sources utilized to assist in our evaluation of ESG factors include, but are not limited to, MSCI's ESG Research, Bloomberg, FactSet, sell-side reports, conference calls, company reports, and calls with company management to identify and evaluate material ESG issues.

We will continue to examine ways in which we can integrate ESG factor evaluations into the selection of securities and portfolio construction.

## Proxy Voting

Manning & Napier is committed to effective stewardship of client assets and will exercise our proxy voting authority to vote proxies in a manner that we believe will maximize the long-term value of investments. As such, Manning & Napier has adopted and implemented policies and procedures which it believes are reasonably designed to ensure that proxies are voted in the best interest of clients, in accordance with our fiduciary duties and applicable rules and regulations.

Additional details on our proxy policy are available upon request.

## Exclusions

On a broad level, Manning & Napier only excludes those securities that are legally required to be excluded from our portfolios.

Manning & Napier does not currently exclude securities based exclusively on ESG risk factors, unless they pose a significant and overwhelming hurdle to the company's long term financial success. When moderate environmental, social or governance concerns are present, analysts modify their valuation of the company to reflect the additional risk. At a client's direction, Manning & Napier can tailor investments in our separately managed account offerings to restrict certain securities or, where feasible, more firmly align with a client's values and avoid conflicts with a client's mission or objective. Manning & Napier has been involved in the management of such accounts for over 30 years.

## Closing

We have a fiduciary responsibility to make investment decisions that are in the best interest of our clients, which requires us to evolve our investment process in line with changes to our client's long-term objectives. The time has come to more formally embed ESG risk factors and principles into our investment philosophy and streamline the implementation of ESG across our investment teams and strategies, which includes a continuous evaluation of how we view and incorporate ESG factor analysis into our investment process.

For more information on Manning & Napier visit [www.manning-napier.com](http://www.manning-napier.com)