

ALTIUS SUSTAINABLE BOND FUND

Country Exclusion Policy

September 2022

Countries with poor ESG practices mean greater downside exposure for investment activities. As a result, we will exclude countries that have poor human rights standards, weak labour and environmental protection, or are highly corrupt.

Using ISS Country's ESG Performance Score and Rating Decile Rank ("Decile"), the countries whose score puts them at the 9th and 10th decile will be excluded, countries whose score puts them in the 7th and 8th decile will be on the watch list. Countries scoring above decile 6th may also be excluded if there was a material change to the key risk factors that could lead to future deterioration of the country's Score or as determined by the Sustainability Advisory Committee.

By extension, companies domiciled in these countries may not have the best practice framework embedded in their business practices. If the parent company and issuer is domiciled and has operations in an excluded country, it will be excluded unless that issuer's business activity is specifically to improve the environment or bring about positive social change.

However, if the parent company of an issuer is domiciled in an excluded country but the issuer's operation is in a country which is not excluded, then the issuer will not be excluded but will have to pass Altius' ESG assessment. The multilateral development banks or supranational issuers whose member countries may be on the excluded list are exempt from the excluded list.

The country exclusion list will be updated every quarter. This policy is referred to in the Altius Sustainable Bond Fund's Sustainability Policy.

Important information

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Policy Name	Country Exclusion Policy
Policy Level	Level 3-Guideline
Approval Body	EGM Investments
Date of Approval	22 September 2022
Policy Owner	Chief Investment Officer Altius
Policy Administrator	CIO Altius
Related policies	Cash and Fixed Interest Sustainability Policy
Supporting procedures or guidelines	N/A
Date of last review	July 2019
Regulator (if applicable)	n/a
Compliance mechanism	N/A
Classification	Internal and external use