

New Ireland Assurance Company Responsible Investment Policy

March 2021



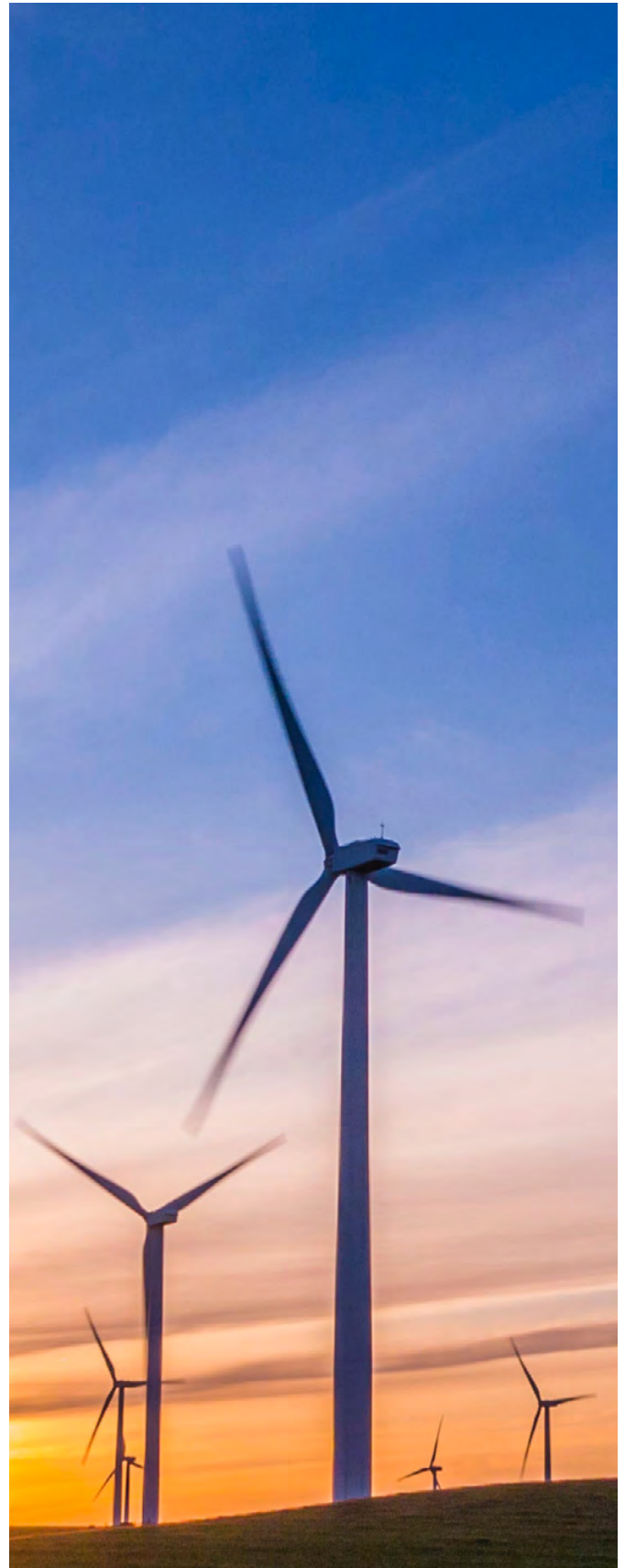
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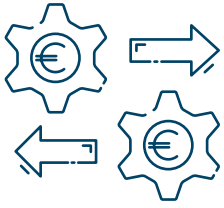
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1. Introduction

- 1.1 This is the responsible investment policy of New Ireland Assurance Company plc (the “Company”). This policy sets out how responsible investment is to be incorporated into the Company’s investment criteria to the extent that the integration of such factors is consistent with the Company’s duty to help its clients achieve their investment objectives and protect their interests. The scope and application of the policy and the responsibilities and obligations arising under the policy are also set out.
- 1.2 The purpose of this policy is to set out how the Company will implement its beliefs on sustainable investment within the funds available to its customers. The Company does not manage funds directly. The Company appoints managers to invest the funds held by its policyholders, either by appointing them as investment manager of the fund, or through investing in 3rd party funds.
- 1.3 The Company requires the external managers we appoint to manage our funds to have documented appropriate ESG policies and to implement good practices.
- 1.4 The Company believes that this approach achieves the main objectives of responsible investing and is in the interest of its customers.





2. Scope & Application

2.1 This policy applies to:

- (a) All funds available to policy holders of New Ireland Assurance Company.
- (b) The financial advice provided tied agents of New Ireland Assurance

2.2 Responsible investment will be achieved by ensuring that:

- (a) The Company's approach to investment explicitly acknowledges the relevance to the policyholder of environmental, social and governance (ESG) factors, and the long-term health and stability of the market as a whole;
- (b) Our responsible investment framework is aligned to the **United Nations' Principles for Responsible Investment**. This represents the leading global standard for investors;
- (c) The Company demonstrates its commitment to responsible investment, to collaborate and learn with its peers about the financial and investment implications of ESG issues;
- (d) The Company incorporates these factors into its investment decision making and ownership practices.

2.3 The Company believes a sustainable investment approach is more likely to create and preserve long-term investment capital and, more specifically, that:

- (a) ESG factors can have a material impact on long-term risk and return outcomes and should be integrated into the investment process;
- (b) Taking a broader and longer-term perspective on risk, including identifying sustainability themes and trends, is likely to lead to improved risk management and new investment opportunities;
- (c) A sustainable investment approach that considers ESG risks and opportunities is in the best interests of the Company's customers. The company will continue to keep its approach under review in support of that ambition;
- (d) We are working towards implementing standardised and integrated reporting which incorporates material sustainability information with financial information because plays an important role in informing investors of the impact of their investing activities and in informing their investment decision making and we are working towards achieving that goal;
- (e) Stewardship (or active ownership) supports the realisation of long-term shareholder value by providing investors with an opportunity to enhance the value of companies and markets. See section 4 for more details





3. Sustainability Themes addressed by this Policy

Applicable asset classes. The Company believes that ESG factors can be applied across asset classes; including listed equities (active and passive), sovereign and corporate bonds, property and unlisted assets. However, we acknowledge that the degree of relevance, or materiality, varies across asset classes, and that fund managers ability to integrate ESG consideration into the management of assets is different across the asset classes. Integration is most advanced in listed equities and is generally less well advanced in other classes. We expect integration to continue to improve across asset classes over time.





4. Stewardship, Shareholder Voting & Engagement

- 4.1 The Company aims to realise long-term shareholder values by providing customers with an opportunity to enhance the value of companies and markets in a manner more consistent with long-term investor timeframes; for example by voting on resolutions at investee company AGMs and writing to, or meeting with company management on particular issues
- 4.2 This policy represents the Company's commitment to industry standards of good governance and stewardship;
- 4.3 Active/engaged shareholders have a greater chance of ensuring company management acts in ways that are aligned with shareholder interests. Stewardship also provides investors with an opportunity to enhance the value of companies and markets and to acquire additional information, which can enhance the investment decision process. This policy applies primarily to the Investment Oversight and Product Management departments but it also applies to all departments within the Company.
- 4.4 The Company expects its selected fund managers to monitor investee companies and to report on stewardship activities and outcomes. The Company may seek disclosure from fund managers on an annual basis including a voting and engagement activity review that covers the following areas:
- (a) Voting Execution. The Company may request records on voting activity and statistics to monitor execution and consider vote percentages;
 - (b) Voting Rationale. The Company may request information from the fund manager related to their rationale for a) votes for and against management; b) votes against proxy advisor policy (where applicable); c) abstentions and d) no votes;
 - (c) Engagement. The Company may request the fund manager to provide examples of instances where the fund manager has exchanged views with investee companies. This may involve: a) receiving information related to the number of companies the fund manager engaged with during a certain period and the topics that were discussed as part of the engagement b) examples of where the fund manager collaborated with other investors as part of the engagement; and c) any voting activity that is an escalation of concerns following engagement
- 4.5 The Company accepts that fund managers may have detailed knowledge of both the governance and the operations of the investee companies and has therefore enabled fund managers to vote based on their own proxy-voting execution policy.
- We will engage with the managers with the aim of driving change where we believe practices can be improved.





5. Exclusions & Screening

- 5.1 It is possible to screen companies and to exclude them as potential investment targets based on certain criteria. By screening and excluding companies, the Company is effectively giving up its ability to influence excluded companies to make positive and sustainable change and it narrows the investment universe available to its customers.
- 5.2 The Company prefers to adopt an integrated approach where possible but accepts that certain managers may apply strict exclusions based on internationally accepted norms such as the UN Global Compact. Certain funds will exclude companies that have material connections to controversial industries, e.g. tobacco, predatory lending and cluster munitions.



6. Implementation

- 6.1 The Company monitors the progress being made and continuously enhances the integration of ESG into its investment processes.
- 6.2 Relevant indicators of progress will include:
- (a) the proportion of assets under management that are formally ESG-integrated;
 - (b) score in the **United Nations Principles for Responsible Investment** assessment report each year (first report 2023);
 - (c) the impact of the Company's engagement and proxy voting activities exercised through our investment managers;
 - (d) whether the Company is meeting the needs of its customers for ESG-integrated solutions.

Given the dynamic and evolving nature by which ESG factors are material to investment performance, the Company is committed to continued innovation and improvement.

- 6.3 Application to different investment arrangements:
- (a) The appointment of fund managers may be by either segregated mandates or investments in pooled vehicles, or by a combination of both;



- (b) The Company will actively monitor its appointed fund managers on ESG integration, consistent with this policy;
- (c) However, the application may vary depending on the degree of discretion available (which is expected to be higher in segregated mandates relative to pooled vehicles) in which the Company funds invest.





7. Financial Advice

7.1 Financial advice is provided directly to some customers of the Company through its own tied agents. When these agents of the Company are providing financial advice they rely on the Company to adhere to this policy. Where a customer expresses a desire or a requirement to invest in a fund which promotes environmental or social characteristics or has sustainable investment as its objective, the advisor will incorporate this requirement when providing the investment advice.



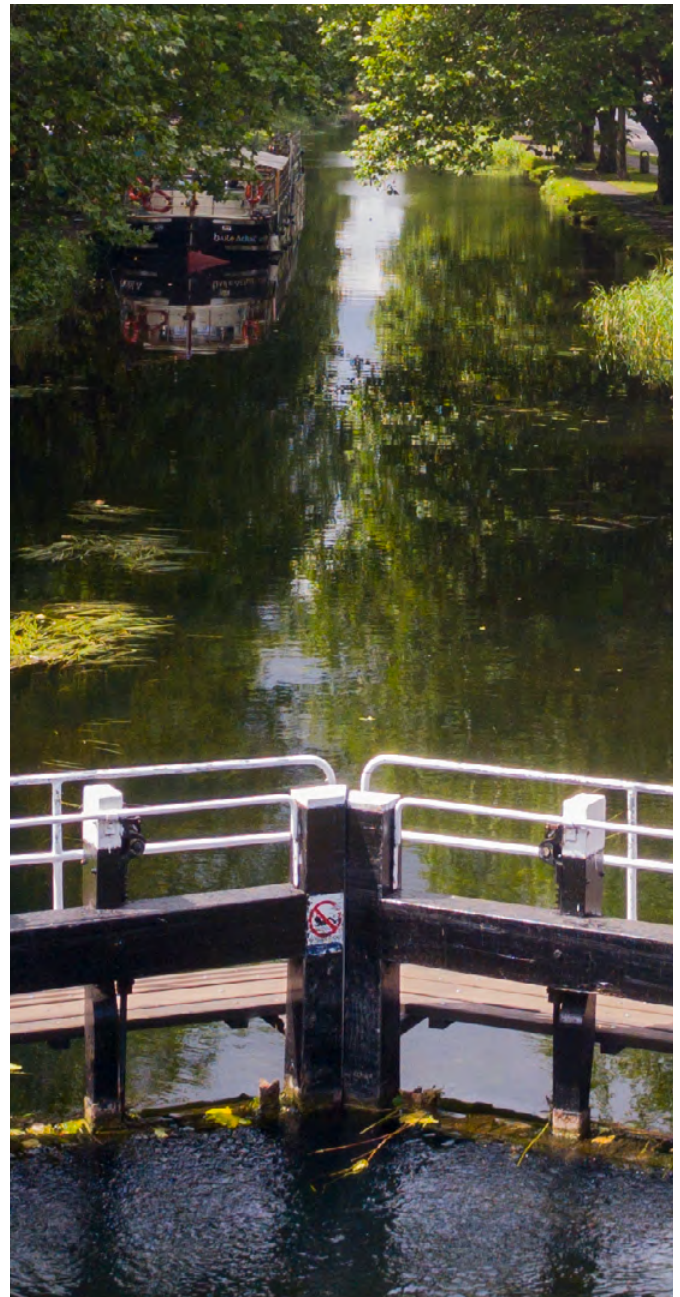
8. Governance

- 8.1 The Company is the owner of this policy. Reports will be provided to New Ireland Board on those topics covered by the policy.
- 8.2 The Company is committed to an ongoing and long-term process of improving its approach to integrating ESG into its investment products and services.
- 8.3 As a result, this policy reflects the Company's current approach, and we expect that this policy will evolve over time to reflect changes in business practices, business structures, technology, and regulations. Accordingly, the Company will review the policy annually and recommend amendments as necessary.



9. Conflicts of Interest

- 9.1 The Company endeavours to act in the best interests of its customers and will seek to avoid conflicts of interest in line with the Group's conflict of interest policy.
- 9.2 As part of its review and appointment process, The Company assesses whether external managers have policies and procedures that are designed to manage conflicts in relation to stewardship.



- 9.3 Fund managers are required to report on any conflicts of interest and demonstrate that they have adhered to their conflicts policy and reported any breaches.



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