
Responsible Investment Policy

Applicable to ACM Advisors Ltd.

Approved by the Investment Committee on

DECEMBER 1, 2021

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Introduction

ACM Advisors Ltd. (“ACM”) specializes in the creation, structuring and management of pooled Canadian commercial mortgage funds, with its head office in Vancouver, British Columbia and offices in Toronto, Ontario and Montreal, Quebec.

Consistent with its investment philosophy, ACM believes that the practice of considering material environmental, social, and governance (ESG) factors in conjunction with traditional financial evaluation of both borrower and property allows for a better assessment of risks and opportunities, which leads to better investment decisions. As such, ACM became a UN PRI signatory in 2019.

The objective of this Policy is to describe ACM’s approach to responsible investment and to provide guidance to all ACM employees in the execution of investment and portfolio management decisions. This policy will also demonstrate the integration of ESG factors throughout ACM’s activities.

Governance and responsibilities

This policy applies to all members of ACM’s Investments, Business Development, Operations and Asset Management teams.

ESG integration practices are governed by ACM’s Responsible Investment (RI) Oversight Committee.

An ESG Committee has been formed with members from key departments, to facilitate collaboration in the implementation of ACM’s RI strategy.

A Diversity and Inclusion (D&I) committee has been formed with members from across the firm. The committee will carry out ACM’s D&I initiatives under the guidance of the RI committee, and in accordance with the ACM Diversity and Inclusion policy.

Materiality definition

Material ESG issues are defined as issues that can have adverse impacts on the financial standing of the borrower or the value of the underlying asset.

ACM considers material ESG issues when assessing properties, borrowers, and tenants.

Implementation and ESG integration approach

ACM’s investment process involves the assessment of a wide range of risks that may impact the sustainability and profitability of both the borrower and the property. ACM incorporates ESG considerations into all phases of the investment process.

Real assets are exposed to a range of physical climate-related risks, as well as transition risks and opportunities through changing market regulation and policy. ACM commits to managing climate change-related risks, and working to identify related opportunities.

Engagement & Stewardship

In an effort to contribute to the development of sustainability best practices in the real estate sector, ACM commits to engaging with borrowers and other stakeholders on ESG-related issues. ACM strives to promote market opportunities that would lead to advancement of environment, social and governance performance for the commercial real estate industry, and to share ESG knowledge with borrowers on an ongoing basis.

Reporting

ACM reports to its clients on investment activities and performance, including ESG activities, on an ongoing basis. ACM will report annually on our approach to responsible investing, our engagement activities as well as reporting related to our status as signatory to the UNPRI.

Review and updates of the policy

This policy reflects ACM's approach to ESG integration as at December 2021. It is reviewed annually to reflect ACM's ESG integration practices and continuous evolution as a responsible investor.