Responsible Investment Policy

June 2026

1 Introduction

The purpose of Frontier's Responsible Investment Policy ('the Policy') is to set out the high-level approach in which responsible investment is integrated into the firm's investment research and client advisory efforts.[1]

2 Definition of responsible investment

As a signatory to the Principles of Responsible Investment (PRI), Frontier adopts the definition of responsible investment as provided by PRI:

"Responsible investment involves taking sustainability and governance-related factors into consideration in order to protect and enhance long-term value for clients and beneficiaries and, in some instances, to achieve sustainability objectives."

Sustainability and governance-related factors (also known as ESG factors) are numerous, vary widely, and are continually evolving. Frontier recognises that sustainability and governance-related factors often cross over two or more environmental sustainability, social sustainability and governance areas. Examples of these factors are shown in the table following.

Environmental Sustainability	Social Sustainability	Governance
Climate change	Human rights	Board structure
Circular economy	Social inequality	Executive pay
Nature and biodiversity	Labour rights	Corporate culture
Resource depletion	Modern slavery	Cyber security
Waste management	Cultural heritage	Responsible advocacy
Pollution	Just transition	Corruption
Water resilience	Local communities	Disclosure and transparency

3 Responsible investment philosophy

Frontier's summary responsible investment philosophy is stated as follows:

"We integrate responsible investment into our processes to assist clients manage financially-material risks and opportunities, achieve sustainability objectives, comply with policy and regulatory requirements, meet their fiduciary duties, and satisfy client/beneficiary demands."

The responsible investment philosophy forms part of Frontier's Investment Philosophy. Frontier considers the combination of 'traditional' and responsible investment considerations to represent the full extent of investment factors that investors must address to achieve long-term investment performance objectives.

We recognise that sustainability and governance-related factors evolve over time. As such, Frontier monitors a range of these factors on an ongoing basis to identify where emerging, material risks and opportunities are arising.

[1] The Policy is distinguished from Frontier's corporate Environmental, Social and Governance (ESG) Policy which addresses the firm's corporate social responsibilities and the sustainable operation of its business.

Frontier seeks to closely align our responsible investment efforts with our core capabilities as an investment advisor to institutional asset owners. We therefore focuses on providing responsible investment services which demonstrably add value for our clients.

4 Responsible investment beliefs

Frontier has nine responsible investment beliefs which collectively represent the foundation of the firm's efforts in this area. These are provided following:

Belief 1 – Responsible investment supports a more sustainable real economy

Effective responsible investment reinforces the sustainability of the real economy and key global systems, which are vital for long-term institutional asset owners.

Belief 2 – Sustainability and governance-related factors impact financial risks and returns, as well as create new opportunities

Sustainability and governance-related factors can impact financial risks and returns, and create new opportunities, so should be considered as part of investment decision-making processes.

Belief 3 – Responsible investment is a duty of a financial fiduciary

Appropriate management of sustainability and governance-related factors supports the achievement of investment objectives. Integrating responsible investment into investment strategy and implementation is therefore, a duty of a financial fiduciary.

Belief 4 – Responsible investment should adapt as sustainability and governance-related factors evolve

Sustainability and governance-related factors are dynamic, so ongoing research is required to identify related risks and sustainable investment opportunities arising over time.

Belief 5 – Responsible investment should account for materiality

The materiality of sustainability and governance-related factors, and the ability to effectively manage their impact on performance sustainability varies, and should guide the allocation of responsible investment efforts and resourcing.

Belief 6 - Active ownership[2] enhances an investment's risk/return profile

Active ownership, including effective engagement with relevant market participants and proxy voting, enhances the risk/return profile of investments.

Belief 7 - Collective action, transparency and disclosures can more effectively drive positive change

Robust collective action on relevant sustainability and governance-related issues alongside like-minded market participants, as well as consistent transparency and disclosures, can reinforce the effectiveness of addressing those issues relative to acting in isolation.

Belief 8 - Climate change is the highest-priority sustainability issue facing investors

Climate change is a systemic issue which affects all asset types and sectors. As such, it will impact investors with diversified, global portfolios. Furthermore, investors have a critical role to take action

[2] Also known as Stewardship (see Glossary)

and support the global transition to a net-zero real economy by 2050 as defined in the 2015 Paris Commitments.

Belief 9 - Responsible investment should be tailored for each investor

The approach to integrating responsible investment should account for an investor's unique set of objectives, constraints, and beliefs.

5 Responsible investment approach

Frontier's research activities and investment advisory services are diverse, so this policy approach is intended to have broad application. Frontier's approach to responsible investment is organised under four 'pillars':

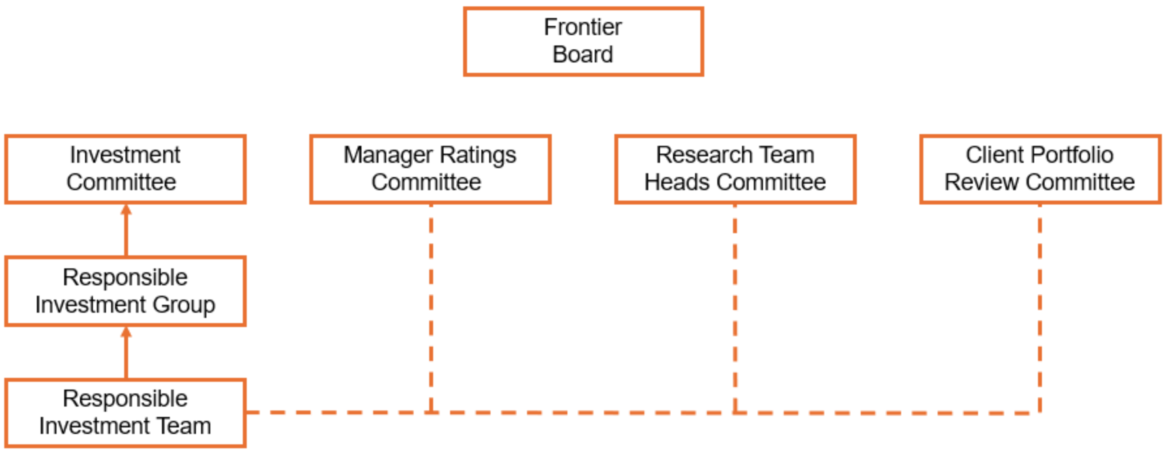
1. Governance
2. Thematic research
3. Integration
4. Collaboration and information sharing

Frontier's general approach to each of the four pillars is outlined below.

5.1 Governance

The objective of Frontier's responsible investment governance framework is to facilitate robust oversight of the roles and responsibilities of Frontier's responsible investment approach and activities, ensuring decision-making processes are relevant and transparent

Frontier's Responsible Investment Governance Framework



This Policy is approved by Frontier's Investment Committee (IC) and formally reviewed annually, as set out by the IC Charter. The IC has delegated the day-to-day custody of the Policy to Frontier's Responsible Investment Group (RIG) which coordinates and supports Frontier's responsible investment efforts at a strategic level with representation from across the organisation.

The key details of the RIG's operations are set out in the Responsible Investment Group Charter. In doing so, the RIG and subsequently the IC oversees the implementation and monitoring of the responsible investment strategy at an organisation level.

Responsible investment-related manager and product research is primarily undertaken by Frontier's Research Teams, reflecting the domain expertise required to effectively analyse sustainability and governance-related factors within specific asset classes and across investment products. Frontier's Manager Ratings Committee is responsible for considering and approving manager ratings, including responsible investment assessments.

Responsible investment advice is primarily provided by Frontier's Client Teams, with support from the Responsible Investment Team, reflecting the tailored requirements of each client in this area. Client Teams are responsible for understanding their client's responsible investment beliefs, philosophy, and policies.

In addition to this Policy, Frontier's responsible investment activities as they pertain specifically to climate change are governed by Frontier's Climate Change Position Statement.

Reporting and disclosures

The progress on Frontier's responsible investment activities is reported to the Board and IC, ensuring compliance with the Policy. Reporting activities include:

- Annual reporting to the Board on responsible investment strategy progress and priorities
- Semi-annual update to the IC on the management on RIG activities
- Ad hoc reporting to senior management on responsible investment strategy progress

The Policy and Climate Change Position Statement are also published on Frontier's website.

5.2 Thematic Research

The objective of Frontier's responsible investment research effort is to assist our clients with achieving their long-term sustainable investment outcomes by identifying, evaluating and mitigating material investment risks and identifying material opportunities arising from sustainability and governance-related factors.

To ensure a robust approach to responsible investment advice that continues to evolve and develop, Frontier undertakes ongoing research activities on thematic topics relevant to its clients.

Reasons for undertaking these research activities include:

- The emergence of new regulatory and policy developments;
- To evaluate the financial impact of material and emerging sustainability and governance-related risks and opportunities to proactively understand, identify and mitigate these risks, or take advantage of opportunities, at a portfolio and asset class level;
- To assist clients with the latest responsible investment industry developments, research, and analysis specific to risk management, in addition to identifying emerging opportunities.

The RIG has primary responsibility to formulate and drive the firm's responsible investment research agenda. The RIG continually informs this process via engagement with a broad range of industry stakeholders, including clients, investment managers and responsible investment advocacy groups.

Given the large number and wide variety of sustainability and governance-related factors, the formulation of Frontier's responsible investment research agenda must also consider the materiality of these factors. Factors expected to have the most impact on the long-term performance of client portfolios are prioritised for research.

Materiality in this context may variously refer to the expected scale of risk and/or opportunity, the prevalence of a sustainability or governance-related factor within the economy, and/or the degree to which Frontier assesses that factor can reasonably be managed by clients. Research Teams also integrate asset class/product-specific responsible investment considerations when deemed to be material.

5.3 Integration

The objective of Frontier's responsible investment integration processes is to ensure that sustainability and governance-related factors are systematically considered as part of

Frontier's research activities and client advisory approaches, supporting our clients' long-term investment objectives.

Frontier believes that considering sustainability and governance-related factors in investment decision-making will enable our clients to manage evolving risks as well as identify emerging opportunities.

As part of advancing our integration approach over time and to proactively inform our clients, we will observe:

- Global regulatory and policy developments relevant to sustainability and governance-related factors;
- Industry developments, research and analysis specific to integration;
- Developments on responsible investment integration into investment products.

When integrating sustainability and governance-related factors into Frontier's research activities and client advisory efforts, we formally incorporate these considerations into the following key activities:

1. Manager assessment, monitoring and engagement

Consistent with the broader investment product rating process, Frontier employs a Manager ESG Assessment process which is multi-faceted, drawing on a range of quantitative and qualitative inputs determined as being material by the relevant Research Team. Such inputs are sourced variously as needed, including via a dedicated responsible investment questionnaire. Direct discussions and case studies with the investment manager are also required elements of the research process as these support a greater depth of understanding relative to sole reliance on manager-supplied documentation. Emphasis is placed more on the appropriateness and suitability of the investment manager's responsible investment approach in the context of its overall strategy rather than on generic metrics.

Furthermore, as part of our manager monitoring activities, we formally incorporate sustainability and governance-related considerations into annual reviews of investment products, which includes engaging with investment managers on their responsible investment capabilities. The review also accounts for the evolution of responsible investment approaches in the product's peer group over the same period to consider their capabilities relative to peers.

Responsible investment considerations are also integrated where relevant within investment manager interactions outside the formal annual review cycle, including via update meetings and surveys. We actively engage with investment managers on an ongoing basis to share knowledge and encourage improvement across their responsible investment practices.

2. Investment strategy and climate change modelling

Where applicable, Frontier's Client Teams will assist in integrating any responsible investment policy considerations deemed material by the client, into the determination of its investment policy.

Frontier's Capital Markets and Asset Allocation Team (CMAAT) integrates sustainability considerations into the development of its capital market assumptions (CMAs). Sustainability factors deemed material (e.g., transition to a lower-carbon economy) are considered alongside traditional factors (e.g., productivity growth) in determining the long-term expected returns of major asset classes. Further, Frontier offers its clients carbon-adjusted CMAs for certain asset classes.

Frontier incorporates its Climate Change Module (climate scenario analysis) into its proprietary technology platform to assist clients to consider climate change factors as part of assessing portfolio resilience.

3. Sector research activities

We include sustainability and governance-related factors as part of our research activities and manager engagement at the asset class level. Responsible investment research is primarily undertaken by Frontier's Research Teams and ESG factors are integrated into sector configuration advice

5.4 Collaboration and information sharing

The objectives of Frontier's collaborative efforts on responsible investment are to:

1. **Encourage improving responsible investment practices at the industry level**
2. **Ensure our internal and external stakeholders have access to up-to-date information on relevant responsible investment topics.**

Frontier recognises that collaboration with like-minded organisations and collective initiatives assists with influencing change in responsible investment at a systemic level, sharing knowledge and learning combined with effective resource management. Sustainability and governance-related factors are often systemic, interconnected, multidimensional and rapidly evolving, impacting various asset classes and geographies that call for broad collective action.

Frontier will prioritise collaboration and participation in various activities based on the range of factors, given that we cannot feasibly participate in all initiatives. These factors include whether the collective initiative is aligned with our interests, our responsible investment approach along with client expectations and priorities.

Frontier actively engages with or is a member of/signatory to the following organisations:

- Principles for Responsible Investment (PRI – see Appendix A)
- Investor Group on Climate Change (IGCC)
- Responsible Investment Association Australasia (RIAA)
- Australian Institute of Superannuation Trustees (AIST)
- Net-zero Investment Consultants Initiative (NZICI) – founding member
- The Global Investment Research Alliance (GIRA) – founding member

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Appendix A - Principles for Responsible Investment (PRI)

Frontier is a signatory to the Principle for Responsible Investment (PRI). The PRI set out the following six aspirational principles for signatories to work in partnership and support a collective voice in addressing ESG issues.

- Principle 1: Incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: Be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: Seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: Promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: Work together to enhance our effectiveness in implementing the Principles.
- Principle 6: Report on our activities and progress towards implementing the Principles.

Appendix B Glossary of selected terms

- **Just transition** is the effective and equitable management of the positive and negative social and employment implications of climate action across the whole economy. An example of just transition is the successful reskilling and relocation to a low-carbon industry of redundant workers from a coal-fueled power plant which has closed due to climate policy. A just transition is expected to facilitate faster transition to a low-carbon economy while also mitigating social exclusion and increased inequality.

- **Modern slavery** describes situations where criminal offenders use coercion, threats, or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour. Modern slavery is a term used to describe serious exploitation.

- **Net zero** is an objective whereby a given entity (such as a country, a company or investment portfolio) is no longer additive to global greenhouse gas emissions arising from human activity (e.g. carbon dioxide). The term is intrinsically linked to the 2015 Paris Agreement ambition of limiting global temperature increase to a maximum of 1.5^{o}C above pre-industrial levels by the end of the century. A 2018 special report by the Intergovernmental Panel on Climate Change (IPCC) concluded the global economy would need to reach "net zero" by 2050 for the 1.5^{o}C ambition to be achievable. A net zero-aligned investment strategy should include both investments that finance reduced emissions, consistent with achieving real economy emissions reductions, and increased investment in 'climate solutions' needed to meet the IPCC's 2050 net zero milestone.[3]

- **Real economy** is the part of an economy which produces goods and services. It is distinct from the financial sector which is concerned with buying and selling on financial markets. The sustainability of both the real economy and the finance sector are intrinsically linked with each being reliant on the other.

- **Stewardship/Active Ownership** is the use of influence by institutional investors to maximise overall long-term value including the value of common economic, social, and environmental assets, on which returns, and clients' and beneficiaries' interests depend. Stewardship can be implemented through a variety of tools including engagement with current or potential investees or issuers; voting at shareholder meetings; filing of shareholder resolutions/proposals; direct roles on investee boards and board committees; and where necessary, litigation.

- **Supply chain** is the network of entities, activities, information, and resources required to create and distribute a product or service from supplier to customer. Issues impacting the financial performance of an entity (e.g. a listed company) can and do occur at multiple points along the supply chain, so risks or opportunities arising from these should be managed.

- **United Nations Sustainable Development Goals (SDGs)** are a set of 17 social, economic, and environmental goals (and 169 underlying targets) to be achieved by 2030, which were agreed by 193 UN member states in 2016. The overarching objective of the goals is to build an inclusive, sustainable, and resilient future for all people and the planet.

- **Universal owner** refers to large institutional asset owners which, due to their highly diversified and long-term portfolios, effectively hold a slice of the overall economy and are therefore reliant on a sustainable and healthy economy to support their investment performance. As such, universal owners have a vested interest in supporting investment practices which promote a healthy and sustainable real economy.

[3] "Net zero" is sometimes confused with "carbon neutrality", however, the latter typically involves the use of carbon offsetting, and aims to reduce carbon emissions from an accounting perspective, rather than real world greenhouse gases.