

RESPONSIBLE INVESTMENT POLICY

Owner: Chief Investment Officer
Effective Date: November 30, 2012
Revised Date: May 25, 2017



AIMCo

Alberta Investment Management Corporation (AIMCo) is one of Canada's largest and most diversified institutional investment fund managers. Our vision is to be among the best institutional investment managers and inspire the confidence of Albertans.

AIMCo became a Crown Corporation on January 1, 2008 under the statutory mandate of The AIMCo Act, with the Province of Alberta as our sole shareholder. We invest globally on behalf of our clients, a diverse group of pension, endowment and government funds in the Province of Alberta. Our fiduciary duty is to act in the best interests of our clients in accordance with their investment policies to maximize investment returns without undue risk of loss. AIMCo's Board oversees all key investment decisions, regulatory compliance and adherence to internal policies, including AIMCo's Code of Conduct.

PRINCIPLES FOR RESPONSIBLE INVESTMENT

AIMCo is committed to implementing best practices in responsible investment and has adopted the United Nations Principles for Responsible Investment (UNPRI), which are:

- We will incorporate environmental, social and governance (ESG) issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.
- We will each report on our activities and progress towards implementing the Principles.

These principles stem from our belief that ESG issues can affect the performance of investment portfolios to varying degrees across companies, sectors, regions, asset classes and through time. AIMCo recognizes that applying these principles may better align investors with broader objectives of society.

AIMCo's APPROACH TO RESPONSIBLE INVESTMENT

This policy describes how AIMCo implements the principles of responsible investment in alignment with our mandate while satisfying the obligation to our clients to maximize investment returns without undue risk of loss. AIMCo is committed to 'Doing Business the Right Way' and, as such, strives to uphold and exemplify our corporate values of: excellence, transparency, humility, integrity and collaboration in our business processes.

Integration of ESG Criteria into Investment Analysis and Decision-Making Processes

AIMCo is committed to integrating consideration of ESG factors into our investment decision making processes. AIMCo bases its global investment decisions on anticipated risk-adjusted return, including the positive or negative return and risk from environmental, social and governance factors. The importance of ESG criteria to the investment analysis and decision-making process necessarily varies with the nature of the investment.

Exclusions

AIMCo generally prefers a policy of engagement over exclusions, or ‘voice over exit.’ However, we reserve the right to exclude certain companies or investments in order to comply with pertinent legislation such as The Special Economic Measures Act, or with client investment policies, or at senior management’s discretion, in cases where companies are determined to be acting with disregard for generally acceptable international business practices.

Incorporation of ESG Issues into our Ownership Policies and Practices

AIMCo is committed to encouraging firms to adopt policies and practices that contribute to long-term performance and, as such, practices active ownership. We may, when deemed material and appropriate, engage with investee firms directly in order to encourage best environmental, social or governance practices or address perceived gaps. AIMCo encourages all investee firms to practice good governance, to address any potential negative environmental and community impacts of their operations and to uphold best labour practices, including occupational health and safety procedures.

AIMCo is committed to effective engagement on behalf of our clients. AIMCo proactively considers opportunities to add value to investee firms such as by promoting improved corporate governance and corporate responsibility measures. We engage with companies guided by our ESG focus areas. AIMCo may pursue engagements with companies independently or in collaboration with other investors. Engagement methods include face-to-face meetings, e-mails, letters and telephone calls with executives or board members.

Proxy voting is an important component of active ownership. Recognizing the importance of good corporate governance, AIMCo’s fiduciary duty is to exercise proxy voting rights in the best interests of our clients. We expect issuers to comply with applicable laws and internationally determined standards of business behaviour. AIMCo evaluates ballot proposals primarily based on our broad guidelines and principles, but takes unique and specific circumstances into consideration on a case-by-case basis. In general, AIMCo expects firms to adopt the following practices:

Environment:

- Strive to incorporate best industry practices to mitigate adverse environmental impacts
- Pursue environmentally friendly business practices
- Demonstrate transparency and accountability by adopting industry specific environmental reporting protocols

Social:

- Protection of human rights
- Uphold freedom of association and the right to collective bargaining
- Robust supply chain management practices respecting international protocols

- Best practice standards for occupational health and safety
- Stakeholder engagement and/or community involvement

Governance:

- Quality, diversity and independence of board members
- A reasonable size of board members
- No slates of directors
- Limiting membership of any one director on too many other boards
- Transparency and dialogue between management/board and shareholders/owners
- Thwart bribery and corruption

AIMCo encourages companies to disclose pertinent and material ESG performance data.

Collaboration for the Advancement of Principles for Responsible Investment

AIMCo participates in broader dialogue with other institutional investors in order to contribute to the evolving field of responsible investment. AIMCo is a signatory member of the following organizations committed to responsible investment:

- Canadian Coalition of Good Governance
- International Corporate Governance Network
- Pension Investment Association of Canada
- UN Principles for Responsible Investment Initiative
- Responsible Investment Association
- Carbon Disclosure Project

These organizations often advocate on behalf of their members, and may invite AIMCo to play a role in collaborative engagement. We support the broad principle of collaborative engagement with other institutional investors within membership organizations, as collaboration leverages internal resources and is an effective way to encourage transparency and improved ESG performance across AIMCo's portfolio.

Reporting on our Implementation of the Principles for Responsible Investment

AIMCo is committed to full public disclosure of our responsible investment and proxy voting record and regularly updates the Responsible Investment section of our website.

RESPONSIBILITY FOR POLICY

AIMCo's Board approves this Responsible Investment Policy. AIMCo's Responsible Investment Committee, comprised of senior management and chaired by our Chief Executive Officer, approves responsible investing strategies and activities. The Chief Investment Officer or designate will report to the Executive Committee regarding compliance with this policy not less frequently than annually and will cause this policy to be reviewed at least every two years. The Chief Investment Officer or designate shall present the RI Policy to Executive Committee for approval before it is submitted to the Board.

SIGNATURES AND APPROVAL

Owner			
Name:	Dale MacMaster		
Title:	Chief Investment Officer		
Signature:		Date:	June 8, 2017