

RCM and its Sustainability Investment Philosophy

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RCM believes that, in today's business environment, companies can ill afford to ignore emerging global trends and that, as an investment manager acting in the best interests of our clients, we should actively integrate the opportunities afforded by and risks associated with these trends. Thus we have developed, and are continually evolving, an integrated Sustainability Research process that will enable RCM to consider the potential financial impacts of a company's exposure to and exploitation of environmental, social and governance (ESG) factors.

The Sustainability Research process is undertaken by the RCM Sustainability Research team. Our commitment to this dedicated in-house Sustainability Research expertise supports our wider investment philosophy which is based on the importance of proprietary global research. The role of our Sustainability Research team is to understand and provide expertise, internally and to clients, around the materiality of ESG factors impacting the long-term sustainability of companies, particularly highlighting those companies offering the best-in-class response to ESG risks and opportunities. The SR team equally has expertise in providing solutions to clients with a more constrained ethical and socially responsible driven investment focus.

RCM believes that the consideration of environmental, social and governance issues within the investment decision process provides a new and longer-term perspective on evaluating risk and opportunities. Ongoing engagement with company managements provides the foundation to complement the fundamental analysis process in looking outside the typical parameters of a financial model and allows for the generation of ideas for our client portfolios.

External Initiatives

Since 2000, RCM has recognised the growing importance of sustainability to our clients. For this reason, we have sought to ensure RCM has been at the forefront, shaping the debate and future direction of sustainability investing. In large parts this has been achieved and continues to be driven by forging strong affiliations with industry and academic organisations, enabling RCM to emerge as a thought leader in the evolving field of sustainability investment. RCM is a signatory to the UN Principles for Responsible Investment (PRI). RCM was also a founding member of the Enhanced Analytics Initiative (EAI) and, following the merger of the EAI with the PRI, will remain committed to the promotion of better investment research and the integration of ESG into investment decisions. RCM is an active member of the UNEP Finance Initiative Asset Managers Working Group and was a signatory to the first Carbon Disclosure Project, before passing responsibility for Carbon disclosure on to RCM's parent entity, Allianz SE.

RCM is one of the specialist active equity and multi-asset investment businesses within Allianz Global Investors, which is part of the Allianz group. Sustainability and competitiveness are key commitments for Allianz. This perspective forms the basis for taking a proactive approach to social change and ensuring corporate success over the long term.