



Strategic Global Advisors, LLC Responsible Investment Policy

Executive Summary

Strategic Global Advisors, LLC (“SGA”) is committed to responsible investing and promoting responsible practices within our firm. Since our founding, SGA has integrated environmental, social, and governance (“ESG”) information into our investment practices across all investment strategies through fundamental research and analysis and is committed to engaging with portfolio companies to facilitate positive change. SGA continuously looks for alternative ESG data sources which may provide opportunities for alpha as well as risk mitigation when it comes to stock selection. SGA also actively incorporates ESG practices within the firm through various initiatives and incentives for employees for improved employee, industry, and community outcomes.

1. Introduction

SGA is committed to integrating environmental, social, and governance factors into its investment process. The firm considers whether companies are prioritizing short-term gains for the benefit of management over the long-term well-being of shareholders when evaluating investment opportunities, and seeks to understand the long-term sustainability of a company’s business model as well as how ESG factors can impact an investment opportunity’s risk and return characteristics.

SGA’s ESG Committee is tasked with ensuring that SGA practices internally the principles it expects of those firms in which it invests. The committee is comprised of members from the investment team, including Chief Investment Officer Gary Baierl, PhD, as well as other functional areas of the firm.

SGA incorporates several non-financial risks important to long-term shareholder returns, including those related to responsible investment. SGA believes the quality of a company’s governance policies is imperative to the long-term success of a company; as such, important factors considered when assessing governance may include: diversity within the board, alignment in management compensation, audit and accounting controls, and shareholder voting rights. When considering the social impacts and issues of potential investment companies, SGA considerations may include: employee labor standards, human rights, and adverse impacts on society and privacy. SGA recognizes the importance of addressing how environmental issues and risks can impact company’s financial performance. For instance, air and water pollution, and the production of

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harmful chemicals all have risks that can lead to material fines and disruption in businesses and are considered by fundamental analysts throughout the investment decision making process.

ESG includes environmental, social and corporate governance factors that investors, asset owners, and managers consider in the context of corporate behavior. There is no definitive list of ESG factors, but some examples include:

| Environmental | Social | Governance |
|-------------------------|-----------------------------|------------------------|
| Air and water pollution | Gender and diversity | Board composition |
| Energy Efficiency | Human rights | Use of capital |
| Waste management | Labor standards | Bribery and corruption |
| Water scarcity | Corporate behavior | Executive compensation |
| Climate Change | Workplace health and safety | Conflicts of interest |
| Nuclear Safety | Respect privacy | Account and disclosure |

2. Investment Integration

SGA's fundamental research team incorporates ESG factors into the investment decision-making process when reviewing securities produced by SGA's quantitative model.

Fundamental research analysts consider ESG factors in conjunction with business and credit risk and take a holistic approach in analyzing companies from a fundamental perspective, weighing the benefits of the investment versus the risks. Analysts document the basis for each investment recommendation and the key risks considered. During this process, SGA does not automatically exclude stocks without first weighing the positive attributes of the investment opportunity.

SGA's fundamental research analysts generate ESG reports on every stock suggested as a buy and on current portfolio holdings. This information is incorporated into their analysis to identify factors exogenous to company fundamentals (i.e., reputation risk, legal risk, governance risk) that could potentially impact future returns. All analysis is logged and tracked within SGA's internal database. Analysts use these resources in conjunction with other research and analysis to override the quantitative model and exclude these stocks from inclusion eligibility in SGA portfolios.

Additionally, SGA believes that well-managed companies have the opportunity to deliver superior long-term returns for shareholders. High quality management teams, diversity within boards, fair shareholder rights, and aligned management incentive plans are all characteristics of companies with strong corporate governance principles. In addition to the alpha signals evaluated by the

fundamental research analysts, SGA's quantitative research team conducts ongoing research on the inclusion of ESG related alpha and risk factors, such as a carbon footprint factor.

3. ESG Tools and Resources

The fundamental research team at SGA utilizes Institutional Shareholder Services' ("ISS") ESG reports and SGA's Strategic Global Advisors Trading, Analysis, and Compliance Integration ("STACI") system to support SGA's ESG research on existing holdings and potential purchases. SGA's STACI system is used to house both output from the firm's proprietary models and input from the fundamental research analysts including third-party research reports. STACI also contains reporting and analytics tools to allow deeper drilldown and evaluation of SGA's fundamental analysis. ISS is a global provider of corporate governance and responsible investment solutions data and all members of the investment team have access to their specialized ESG research through STACI. ISS analyzes global companies across 200+ corporate governance factors related to Board Structure, Compensation, Shareholder Rights, and Audit & Risk Oversight. Additionally, Environment and Social data identifies key risks related to human rights, environmental protection, and anti-corruption, and is based on the UN Guiding Principles, and the OECD Guidelines for Multinational Enterprises.

4. Stewardship Policy

SGA is committed to responsible investment practices, in which active ownership is an integral part. Through engagements and voting activities, SGA seeks to raise ESG concerns with companies and encourage positive change. SGA recognizes that environmental, social, and governance factors have the potential to negatively impact shareholder value and believes that well-managed companies will deliver superior long-term returns for shareholders. As SGA's main objective is to maximize value to clients, SGA's seeks to address ESG related issues with companies through engagements and voting. The ESG committee conducts a review of initiatives and regularly works with SGA management to decide new avenues to pursue.

4.1 Engagement

SGA is committed to facilitating dialogue with companies, and values partnering with other investors to share resources and improve the chances of successfully driving positive change. Engagement provides companies with the opportunity to define their efforts to manage environmental, social, and governance risks associated with their businesses. In conjunction with

ISS, SGA's fundamental research analysts work to identify companies with high ESG risks. The identified companies are encouraged to improve public disclosure on actions to remedy violations on a quarterly basis. As a result of these engagements, some companies have responded with greater transparency and announced improved ESG reporting. The topics discussed are based on the UN Global Compact and can be classified in four categories: 1) Anti-Corruption 2) Environment 3) Human Rights 4) Labor Rights.

SGA's fundamental research team is responsible for assessing ESG factors and engaging with companies when appropriate. Engagements are conducted by the fundamental research team on a case-by-case basis as part of their assessment of a company's ESG factors, and the engagements are prioritized based on exposure as well as materiality of ESG factors. The outcomes of SGA's engagements are available to be reviewed by all investment team members and the ESG Committee. SGA partners with ISS to conduct the majority of our engagements as we believe it allows for greater impact on larger companies. When initiating engagements, SGA clearly defines the objective of the engagement in an Engagement Tracking Report which is systematically shared with the entire investment team. These objectives are determined based on materiality of the ESG issue as well as the companies' prior responses to SGA and/or SGA's third-party provider ISS. The Engagement Tracking Report helps with prioritizing engagements, keeping track of goals/milestones, monitoring outcomes of engagements, determining when follow up is necessary, and tracking involvement in the engagement. SGA's partnership with ISS provides the ability to enact positive change on a larger scale, and fundamental research analysts routinely participate in engagement calls and incorporate discussions in the investment decision process. ISS conducts regular and courteous follow-ups with companies unresponsive to investor concerns. ISS' escalation strategy for unresponsive companies includes further engagement with Investor Relations, engaging with the company's CEO, and, if proven necessary, engaging with the company's Board. Once every escalation effort to engage with a company has been made, ISS re-evaluates the feasibility of the engagement.

SGA's engagement process does not call for mandatory action but is used as part of the overall risk assessment process and is subject to review by the portfolio management team. Recommendations are provided based on the engagement outcomes; however, transactional decisions are made on a case-by-case basis based on all aspects of the investment opportunity. When faced with material issues, SGA strives to contact the management team of companies in question so the fundamental review process can properly determine the best course of action with a potential investment or divestment.

4.2. Proxy Voting

SGA has retained a third-party provider, currently ISS, to implement SGA's proxy voting process and provide analysis of proxy issues on a case-by-case basis. For clients where SGA has proxy voting authority, certain ESG factors are built into the standard proxy voting process. For example, ISS views the identification, mitigation and management of environmental and social risks as integral components when evaluating a company's overall risk exposure. In addition, ISS generally recommends supporting shareholder proposals likely to increase and/or protect shareholder value and those that promote the furtherance of shareholder rights. In evaluating shareholder resolutions regarding environmental and social issues, ISS examines, among other things, the company's approach compared to industry standard practices as well as whether and how the proposal would increase disclosure and transparency. SGA's investment team and compliance team conduct monthly proxy voting reviews to examine the consistency of the application of ISS' proxy voting guidelines.

SGA believes that engaging with companies to improve their ESG practices will benefit clients as companies that prioritize the long-term well-being of stakeholders will outperform in the long run. However, when voting proxies or taking action with respect to corporate actions for clients, SGA's utmost concern is that all decisions be made solely in the best interest of the client. As such, SGA will act in a prudent and diligent manner intended to enhance the economic value of the assets in the client's account. SGA strives to avoid any material conflict of interest that may arise and has implemented procedures to prevent such from occurring; however, if a conflict between SGA's interests and a client's interests is identified, SGA will take necessary measures to resolve the conflict including disclosing the conflict to relevant clients. Specific procedures in relation to conflict of interest are outlined in SGA's Proxy Voting Policy.

6. SGA Corporate Practices

SGA is committed to responsible ESG practices within our offices. SGA manages our environmental impact by encouraging positive environmental behaviors. SGA makes best efforts to recycle paper, plastics, and any other renewable materials. The firm provides reusable bottles to all employees for everyday use and resides in a Leadership in Energy and Environmental Design ("LEED") certified green building. LEED buildings generate less waste, save energy, water, and support human health. At least annually, SGA participates in an e-waste disposal drive sponsored by the building management. SGA's dedicated compliance team and management team ensures that all federal and state guidelines are being adhered to and conflicts of interests are avoided or handled properly.

SGA believes education is at the heart of change. SGA's speaker series seeks to educate our entire firm by inviting experts in climate change, responsible investing and ESG analysis. SGA also encourages its employees to participate in conferences to heighten their understanding of the importance of responsible investing.

In May 2020, SGA became a Signatory of the United Nation's Principles for Responsible Investment, and formalized our commitment to their six Principles for Responsible Investment:

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

SGA values diversity in the workforce and suppliers. SGA is a Women's Business Enterprise National Council ("WBENC") Certified, woman owned and controlled business. SGA's hiring process is designed to seek diversity of thought, experience, background and beliefs, which is evident across SGA team ranks and responsibilities. The firm has been successful to date in recruiting and retaining diverse talent. The current team represents different backgrounds as all open positions are posted in multiple forums (i.e., Women Investment Professionals, We Hire Heroes, Women in Institutional Investments Network, National Association of Securities Professionals, CFA Institute, Chicago Quantitative Alliance and more), which expands the demographic reach of the recruiting team. Most recently, SGA has begun to work with the Riordan program at UCLA to broaden its pipeline of diverse and first-generation talent.

Moreover, SGA has historically placed approximately 20% of total firm-level brokerage with Minority, Women, and Disadvantaged Business Enterprise ("MWDBE") firms and strives to utilize minority and women-owned firms as suppliers of professional services where feasible. SGA also participates and sponsors diversity programs within the industry including the Toigo Foundation and CalPERS & CalSTRS Diversity Forum, both of which "seek to assist underrepresented talent by creating mechanisms for greater inclusion from the classroom to the boardroom."

Lastly, SGA seeks to encourage employee engagement with the community through the SGA Cares Initiative, which supports programs such as the Hidden Genius Project and the Neighborhood Youth Association via Investors in Education. As part of the SGA Cares Initiative,

firm employees participate in SGA's Days of Service by giving back to local communities through organizations such as The Boys and Girls Club, Second Harvest Food Bank, Girl Scouts of America, the YMCA, Youth Employment Services as well as organizations and charities chosen by individual employees.