

Environmental, Social and Governance (ESG) Policy

The assessment of Environmental, Social and Governance (ESG) risks and opportunities has become an increasingly important area of focus for both fund sponsors, individual investors and asset managers. There is increasing recognition that ESG risks and issues can have a material effect on the long-term value of an investment.

This policy seeks to lay out Smith Group's approach to integrating ESG into our investment processes.

Oversight: As a signatory of the United Nations Principles for Responsible Investment (PRI), Smith Group seeks to align our policy with the six PRI principles (see Addendum I). At Smith Group ESG integration is overseen by the Investment Committee, Chief Compliance Officer and other key senior staff members.

ESG Integration: Smith Group has long considered factors beyond traditional financial analysis in our investment decision-making; in particular, governance has played a fundamental role in our investment analysis for many years. Smith Group believes companies that can sustainably grow earnings faster than expected will experience strong stock price appreciation. We further believe that technology supports a well-defined, efficient framework for decisions, resulting in superior stock selection and portfolio construction. By integrating technology with fundamental research, we create risk-controlled portfolios of companies with unexpected growth potential. Smith Group's ESG integration is an extension of our earnings potential and risk analysis, incorporating specific environmental, social and governance risks and opportunities. We strive to consider not only a company's exposure to ESG risks but also its approach to active management of those risks.

We are committed to enabling clients to deploy their capital in a manner that most appropriately meets their investment goals, inclusive of any and all ESG considerations. Smith Group uses a variety of external data sources to add depth of analysis and understanding to our ESG framework. Smith Group recognizes that ESG Investing is continually evolving and as access to more robust data increases, we expect our approach to ESG investing to evolve. ESG analysis is integrated into our investment process as both a form of risk management and source of alpha generation, in much the same way as macroeconomic factors may be considered.

Smith Group is able to customize client portfolios to meet specific requirements for geographic, sector and stock specific restrictions, such as alcohol, tobacco, coal, animal/food products, armaments manufacturers or dealers, gambling, child labor, climate change, slavery and pornography. Smith Group fully supports the Oslo convention, which prohibits investment in companies manufacturing cluster munitions. Smith Group also supports and promotes gender diversity and inclusion. Finally, we are committed to respecting the human rights and dignity of individuals within our operations, supply chain, and communities where we do business.

Proxy Voting: In keeping with Smith Group's policy on Proxy Voting, we aim to vote on all proxy items presented. It is Smith Group's belief that an active and well-formed proxy voting process is the most effective manner for company management engagement. Smith Group has retained the services of Institutional Shareholder Servers (ISS), an industry-leading proxy voting provider, to aid in the development and formalization of Smith Group's proxy voting guidelines. Additionally, ISS provides a range of ministerial functions for the Smith Group within the proxy voting process including the formal voting and tracking of vote's casts.

Addendum I

United Nations Principles for Responsible Investment (PRI)

Signatories' commitment

"As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).

We also recognize that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

The Principles for Responsible Investment were developed by an international group of institutional investors reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices. The process was convened by the United Nations Secretary-General.

In signing the Principles, we as investors publicly commit to adopt and implement them, where consistent with our fiduciary responsibilities. We also commit to evaluate the effectiveness and improve the content of the Principles over time. We believe this will improve our ability to meet commitments to beneficiaries as well as better align our investment activities with the broader interests of society.

We encourage other investors to adopt the Principles."