



Sustainable Investment Policy

Consistent with our investment philosophy, as long-term global investors in high-quality businesses, we integrate Environmental, Social and Governance (ESG) factors into fundamental investment analysis.

At Sandstone Asset Management (Sandstone), sound investment decision-making goes beyond consideration of short-term profits and includes factors that favor long-term value creation. We consider well developed and executed ESG practices as essential characteristics of high-quality businesses, in which we invest.

We define “sustainable investing” as an investment approach that integrates consideration of environmental, social and governance matters into investment and stewardship activities with the objective of enhancing long-term investment performance.

In essence, sustainable investing and the analysis of material ESG factors have always been core elements of our bottom-up, fundamental investment approach. As the world around us and the issues that impact it continue to evolve, we use the following principles to guide us in our investment approach.

Our Principles

- **Educate** our team, clients, and stakeholders in our ESG policies and practices. Good ESG policies and practices will aid in achieving superior long-term corporate financial and investment performance.
- **Integrate** the analysis of ESG factors into our investment decisions. We recognize what is material to the future success of a business may be different than what has driven past performance. Sustainable investing will help us better align our investment activities with the broader objectives of our clients and society.
- **Collaborate** with other organizations, investors, and stakeholders, to advance sustainable investment practices for the benefit of all parties. Approaches to sustainable investing must be continuously improved and we have a duty to proactively contribute to the development and promotion of sustainable investing globally.
- **Transparency** of information is relevant to the analysis of material ESG factors by companies, investors, and stakeholders where commercially reasonable. We value management candor and believe that transparency and accountability contribute to the quality and ethics of management and can help drive excellence.
- **Be engaged**, acting as long-term investors and stewards is part of our fiduciary duty and can be an opportunity to add value for shareholders. As such, consideration for governance issues (i.e., proxy voting) is fully integrated into our investment process and, when necessary, we engage with both management and the board to improve ESG practices that are material to long-term sustainable value creation.

Policy

Our approach to sustainable investing is consistent with the framework provided by the United Nations-sponsored Principles for Responsible Investment (PRI). This framework enables us to apply Sandstone's principles as listed above to our investment decision-making and stewardship practices.

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

Therefore, we are consistent with our fiduciary responsibilities, and we commit to the following six-principles established by PRI:

1. We will incorporate ESG issues into investment analysis and decision-making processes. We will endeavor to identify the ESG issues that could have a material impact on investment performance and incorporate their consideration into our investment analysis and decision-making.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices. We will monitor the ESG practices of the entities in which we invest and exercise our clients' voting rights in accordance with our *Proxy Voting Policy*.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest. We will support initiatives by other investors and shareholder resolutions seeking reasonable improvements to disclosure.
4. We will promote acceptance and implementation of the principles with the investment industry. We will support regulatory or policy initiatives that would enable sustainable investment practices.
5. We will work together to enhance our effectiveness in implementing the principles. We will collaborate with others to promote and enhance sustainable investment practices.
6. We will work towards implementing these principles. We will communicate our sustainable investment process to our clients, shareholders, and stakeholders.