PINESTONE ASSET MANAGEMENT INC.

RESPONSIBLE INVESTING POLICY

Effective Date: May 2023

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1. Purpose of the Policy

This Policy is intended to set guidelines for Responsible Investing at PineStone. This includes integration of Environmental, Social, and Governance (ESG) factors into the investment research process, active ownership, stewardship, and the implications of PineStone's status as a UN PRI signatory.

2. Policy Owner

Chief Investment Officer

3. Persons Affected

The Policy applies to all PineStone employees.

4. Definitions

Climate Transition Risks: The risks that an organization could face as a result of transitioning to a lower-carbon economy. These risks refer to the policy, legal, technology and market changes that could be required to adapt to climate change. Examples could include carbon pricing, shift in consumer preferences, and regulation.

Environmental, Social and Governance Issues:

> **Environmental (E):** Issues relating to the quality and functioning of the natural environment and natural systems. These can include greenhouse gas (GHG) emissions, climate change, renewable energy, energy efficiency, air, water or resource depletion or pollution, waste management and changes in land use.
>
> **Social (S):** Issues relating to the rights, well-being and interests of people and communities. These can include human rights, labour standards, workplace health and safety, freedom of association and freedom of expression, human capital management and employee relations, diversity, and relations with local communities.
>
> **Governance (G):** Issues relating to the governance of companies. These can include board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, disclosure, business ethics, bribery and corruption, internal controls, and risk management. This category may also include business strategy implications for environmental and social issues and strategy implementation.

Negative Screening: The exclusion from a fund or portfolio, companies or practices based on specific ESG criteria.

United Nations Principles for Responsible Investment (UN PRI): The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice:

- **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.

5. Policy

5.1 Approach to Responsible Investing

At PineStone, Responsible Investing considerations including those related to ESG are considered integral parts of the investment research process, aligning with PineStone's long-term investment horizon and high-quality investment orientation.

Each of the factors is assessed for materiality, likelihood, and severity for each individual investment, by the analyst in charge of that investment. This ensures that the analysts have comprehensive understanding of investments under their coverage and do not need to rely on third-party scoring systems.

Third-party scoring systems may be used for verification purposes or for information sources but are not considered sufficient to make a conclusion on a factor or an investment.

PineStone takes a holistic approach to investing and the selection of portfolio securities. ESG factors are some of the many factors taken in account in the investment process. ESG is an important consideration in the portfolio management process but it will not necessarily trump any other single factor alone.

5.2 Active Ownership

As a responsible investor, PineStone is committed to being an active owner and has been an active owner of its investments since inception. PineStone exercises this authority via directly voting proxies and engaging with management teams and Boards of Directors on a regular basis and on a variety of topics related to shareholder value creation.

5.3 Engagement

As part of the investment process, PineStone sets objectives with regards to how PineStone will engage with companies. As part of this process, PineStone regularly engages with management teams and Boards of Directors of companies that PineStone invests in. PineStone relies on collaborative discussions with management teams in the interest of long-term profitability, business success and shareholder value creation. This process solidifies a relationship with management, ensuring PineStone's views are heard and considered by management teams.

PineStone actively challenges company management where PineStone views that the company is potentially making decisions that are considered value destructive by PineStone.

PineStone expresses engagement priorities through voting proxies on behalf of its clients. PineStone has been actively voting on proxies since inception and has engaged company management on the topics of, among others, capital allocation, equity issuance, board independence, executive compensation, employee wellness, and environmental disclosures.

PineStone adopts a constructive and flexible approach to engagement, choosing to consider a company's geography and the resulting culture, carefully stepping out of comfort zones where needed to ensure best practices are followed.

PineStone is not an activist investor, nor does it seek to be one.

5.4 Screening

PineStone does not use negative screening for any factor in the investment process, ESG or otherwise. Instead, ESG considerations are integrated into every security valuation as part of the investment process.

5.5 Climate Change

PineStone views climate related risks to be relevant and material. PineStone is committed to reviewing strategies to identify and manage material climate change risks and opportunities and where applicable, implement these changes.

5.6 ESG Risks

While PineStone strives to integrate ESG factors as part of our investment selection process, there is no assurance that the strategies will be able to identify all ESG issues or successfully implement its ESG policies. The use of ESG factors in the investment process may be subjective and not subject to uniform standards; as such, accurate assessment, and measurement of ESG risks cannot be guaranteed. Additionally, it should not be assumed that any ESG practices or standards will apply to every investment that the strategies hold. In addition, in evaluating each investment, the information and data obtained to assess ESG issues may be incomplete, inaccurate, or unavailable, which could affect the analysis of the ESG issues relevant to a particular investment.

Applying ESG criteria to investment decisions is subjective by nature, and there is no guarantee that the criteria and judgment exercised will reflect the beliefs or values of any particular investor. ESG standards differ by region and industry, and a company's ESG practices may change over time. If an investor has adopted its own ESG goals and policies, PineStone's Policy and application of ESG factors may not match an investor's own ESG goals and policies. An investor should carefully review PineStone's Policies before investing in a strategy.

6. Reporting

PineStone is a signatory to the UN PRI and follows the UN PRI reporting process. UN PRI signatories are required to report on their responsible investment activities annually. PineStone's first UN PRI report is expected to be available in 2023.

7. POLICY ADMINISTRATION

7.1 Roles and Responsibilities

Employees:

It is the responsibility of Employees to:

- Respect PineStone's Policies and Procedures.
- Report any violation of a policy and/or a procedure that they may have identified to the Chief Compliance Officer.

Responsible Investment Working Group:

It is the responsibility of the Responsible Working Group to:

- Oversee all responsible investment activities and firm ESG activities.
- Meet at a minimum on an annual basis.
- The Responsible Investment Working Group includes representatives from the Investment Management Team and members from the Client Relations and Compliance Departments.

Chief Compliance Officer:

It is the responsibility of the Chief Compliance Officer to:

- Review the Policy on a regular basis.
- Approve all required changes in writing.
- Communicate all changes to all employees in writing and in a timely manner.
- Provide exceptions to policies if deemed necessary.
- Monitor the application of PineStone's Policies adopted.

7.2 Books and Records

All documentation must be retained in a secure location in accordance with this policy and PineStone's Books and Records Chart.

7.3 Version History

Version 1	**August 2022**
Version 2	**May 2023**