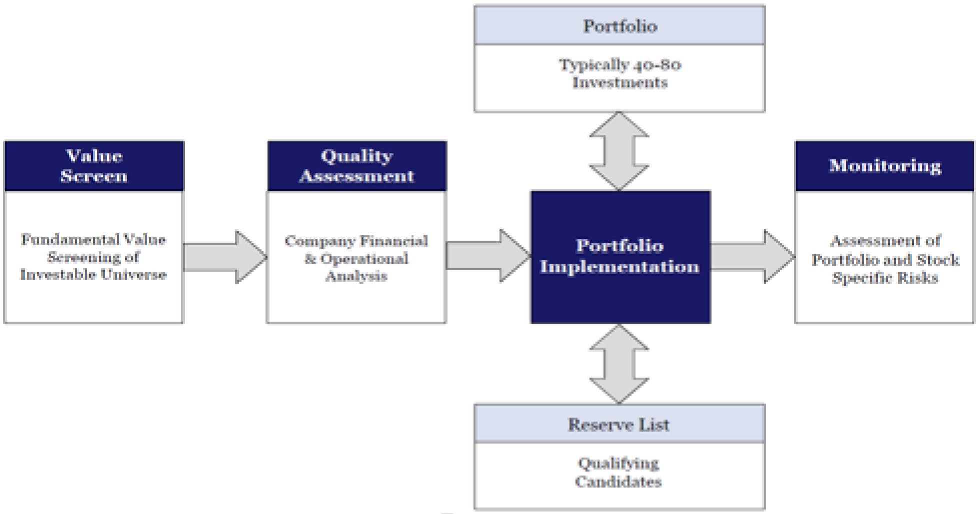
Environmental, Social and Governance Policy

Cape Ann Asset Management Limited's ("Cape Ann") objective is to achieve long-term growth for our clients by investing in a diversified portfolio of companies located in developing markets. We recognise that a transitional approach to sustainability and decarbonization can provide potential investment opportunities and threats. Our overarching investment process therefore seeks to invest in equity securities that, in our opinion, possess fundamental investment value and as part of that we integrate Environmental, Social and Governance ("ESG") factors into our investment research. This policy describes our firmwide approach to ESG issues. Information on the specific investment guidelines which apply to individual commingled funds, including the consideration of ESG factors, are available on request from clientservice@capeannam.com.

Investment Framework

We are value investors in developing market equities. We employ a bottom-up fundamental approach to stock picking using an assessment of intrinsic value which we define as the discount of a security price to the underlying economic value of the business. Our objective is to maximise the intrinsic value of the portfolio over time through a disciplined investment process. Our investment managers identify inexpensive stocks through the screening process and then conduct fundamental research to assess the quality of the underlying company. We generally seek to avoid companies with danger of severe capital loss due to excessive leverage or significant risks arising from ESG issues identified within our qualitative research process.

The investment process consists of a four-stage iterative approach. The first two stages comprise the research process including idea generation through value screens and fundamental analysis. The last two stages encompass portfolio implementation and monitoring. The incorporation of ESG issues into the wider investment process typically takes place at the *Quality Assessment* stage and then subsequent engagement with portfolio companies, including proxy voting, forms part of *Monitoring*.



Data and Research

We obtain information from several third party ESG specialist firms, which flag issues across the three main ESG pillars and their sub-components and assist our assessment of issues by industry and country, along with measuring risk exposures. We purchase access to specific services which allow monitoring of climate related issues, governance and accounting factors affecting the performance of public companies. We also monitor all portfolio and reserve list securities against the Office of Foreign Assets Control ("OFAC") sanctions program and other global sanctions regimes through an online screening tool.

Primary research is also a critical component of our fundamental analysis and will typically include direct discussions with company management about ESG issues which either we, or the company, consider relevant or which may have been raised by our third-party providers. We have also identified key risks and questions in each relevant industry and sector in which we invest and these are addressed in each company report. Detailed notes of primary company meetings are stored on a central database and made available to all investment managers and analysts.

Whilst the data and information collected from third party providers and companies on ESG related risks is crucial to our process, we believe it is only ever a stepping stone to further analysis. We use this primary data to identify environmental, social or governance risks within any of our eight predefined quality heuristics and assess its potential impact on the sustainability of a company's business model and its ability to impair future cash flow. We also assess the likelihood that an ESG risk will improve or deteriorate over time. We consider that business models which are dependent on unsustainable practices are likely to fall outside our quality criteria for investment consideration. For example, we see businesses that use enforced labour, child labour, uneconomic wage rates and/or unsafe or harmful business practices (such as polluting or harming the environment) as being unlikely to compound returns and perhaps more likely to suffer from permanent loss of capital. Companies engaging in unsustainable practices normally make unlikely investment candidates. We also consider companies operating in industries or countries that have poor environmental or social safeguards as being another uncertainty worthy of further analysis, but this will not rule out an investment, particularly if the company in question acknowledges these issues and has a structure and plan in place to resolve them.

Decision Making

Whilst we do not pursue an exclusionary approach when assessing the majority of ESG risks, we have excluded tobacco and weapons securities from all portfolios, and imposed additional fossil fuel security restrictions on our Global Developing Markets Sustainability portfolio, details of which are available in the respective fund prospectus.

We consider superior performance lies in identifying marginal changes which could be made in a business and how we might help corporates develop rather than starve them of capital. This drives our approach to stewardship and engagement once the decision to invest has been taken.

Our overarching investment decisions are based primarily on business and financial considerations, and we assess eight quality heuristics when examining the qualitative aspects of a company. ESG risks can be identified in any heuristic if we consider it likely to have a material impact on a company's present or future financial position and cash flows, or conflict with our ability to manage investments. For instance, carbon related business risks might be identified within our Sound Operational Quality heuristic, or poor corporate governance within the Able and Honest Management section. Identification of an ESG issue within a quality heuristic prompts further analysis and allows us to consider appropriate risks, make a balanced judgment on the investment opportunity, and act in the best interest of our clients.

We also want to be aware of how and where our portfolio companies operate whilst recognising that the decision to operate legally, either directly or indirectly, in an unpopular jurisdiction or industry, to deal with difficult political environments or unfriendly regimes in different regions around the world, the implementation of a business plan, and the reputation risk involved, lies with the management of a company. These are important issues, but important alongside many others – product positioning, financing, sustainability of cash flows, competitive threats, advertising, promotion, human resources, corporate governance, and more. These are all the responsibility of management, although they remain of keenest interest to us as an investment manager, for instance where the approach taken by a portfolio company conflicts with global best-practice we may seek to collaborate with company management to encourage improvement or vote against certain proposals at company meetings. In summary, the possibility that a portfolio company may legally operate in a given industry, country or region alone does not cause a change in our investment process.

As with other capital allocation decisions, once we identify that a company has a permanent inability to improve on the identified ESG issues and after repeated engagement attempts, we may consider exiting the position.

Engagement and Active Ownership

We actively monitor and, where appropriate, will engage in dialogue with portfolio companies on ESG and other issues. Our belief is that active ownership – in the form of rigorous and long-term oriented analysis of investment prospects and holdings, proactive exercise of shareholder rights, and constructive engagement – can improve discipline, accountability, and long-term returns. The identification and discussion of ESG related risks with portfolio companies is one strand of our approach to engagement.

We are conscious of the information asymmetry in emerging and frontier markets and use our access to board members and senior management of the companies we research and subsequently invest in, to encourage adequate disclosure in this field. Our ambition is to have our investment universe report data that is reliable, auditable, and comparable across different geographies. We ask portfolio companies to comment on the key risks and outline their path to improvement, either in disclosure of those risks or tackling the solution to minimize impact. We adhere to the laws of the countries in which we do business and follow the rules and regulations applied by official agencies in those countries. We also expect that our portfolio companies will do the same and we closely monitor their record in this respect.

We may also, from time to time, consider participating in collaborative efforts with other investors raising similar concerns on ESG issues with regards to specific sectors and countries.

Proxy Voting Principles

General

We use our best efforts to vote proxies arising on all shares held on behalf of our funds. We exercise our proxy voting obligations with a view to enhancing long term investment values in accordance with our ESG, Stewardship Code and Proxy Voting policies. We consider these policies to promote good corporate governance and an awareness of ESG issues which contribute to an optimal operating environment for each underlying portfolio company to cope with competitive commercial pressures. We are informed by internal research and also by voting guidance produced by the external firm ISS.

Our proxy voting principles are designed to identify and address governance concerns in each market given such practices typically lack uniformity or consistent enforcement rules within emerging markets. We acknowledge that there are varying levels of practice and standards within this environment. Divergence from global norms does not preclude us from investment nor signify that we will vote against management. Instead, we hope to engage with company management and encourage improvement over time.

The standards which help to inform our proxy voting efforts are set out below:

Directors & Boards

- We ordinarily like to support the management and boards of our portfolio companies. However, we consider every motion individually and if it is not in the best interests of our clients, or the sustainability of the company's business model, we may vote against or abstain.
- Each board should ideally have a clear division of responsibilities which is appropriately balanced between executive and independent non-executive directors.
- Ideally the Chairman of the Board and key committee members (i.e. audit, compensation or nomination) should be independent from management and be independent.
- An effective board helps to drive the economic success of a company whilst protecting shareholder interests. We will consider voting against the re-election of directors who fail to act in an objective, transparent and ethical manner.
- Directors should disclose material issues that can affect the company's long-term strategy and value creation.
- The board should ideally be composed of high calibre individuals with appropriate and diverse experience, capable of providing good judgement and diligent oversight of company management.

Remuneration

- Executive remuneration should promote a long-term focus which respects the interests of existing shareholders. Pay should be fair, balanced and aligned with the strategy and performance of the business, allowing the board to be held accountable where they fail to perform.
- The company should be transparent about rewards and disclose information about senior executive remuneration. Alignment between employee and executive pay is also recommended. Emerging market countries set differing minimum disclosure levels regarding executive remuneration and we take those market norms into account when considering best practice.
- An adequate remuneration policy should be sufficient to attract, retain and motivate individuals with the necessary quality required to run the company successfully.
- We may consider voting against management where we see misalignment between remuneration and company performance, lack of correlation with shareholder value or unwarranted salary increases.
- We believe non-executive director fees should reflect the level of responsibility and time commitment of the role.

Shareholder Rights and Capital-related issues

- Changes to a company's capital structure are critical and should not overly dilute existing shareholders or disrupt business operations.
- Internal analysis of country thresholds and limits for capital issuance inform our voting decision and we take into account both country-specific requirements and ISS recommendations.
- Share repurchase requirements should be clearly defined and include the limit, price and time frame until expiration.

Accounting and audited related issues

- Shareholders should ordinarily have a right to vote on the appointment of the company's auditors during the annual meeting.
- Good practice requires the disclosure and availability of reliable financial statements. Ideally the company should have a fully independent audit committee which is overseen and regulated by the board through internal controls.

Environmental and social issues

- We consider if the issues presented are in the best interest of our clients and the sustainability of the company's business model.
- We will also consider whether the issues are more appropriately or effectively dealt with via relevant legislation or regulation.
- Where material environmental and social issues arise, we will ordinarily engage with companies so as to mitigate risks in the portfolio.

Reporting

All unitholders in our commingled funds and segregated accounts may receive a detailed report summarising our proxy voting activities on a quarterly basis on request; a high-level summary is available on our website.

On an annual basis we provide unitholders with a portfolio carbon report and an annual engagement summary.

Specific Investor Concerns

We understand that many institutional investors maintain a list of securities of restricted companies operating in certain industries or economic sectors from which they would like their investment managers to divest. Our policy is to respond to any inquiries that we receive on environmental, social or other governance matters but we have not agreed to any client specific investment restrictions on our commingled vehicles when it comes to ESG matters. We do not accept client direction on proxy voting or corporate governance issues. Our investment team has observed at prior firms that certain clients can feel passionately about a specific issue while others feel passionately about different issues altogether. We therefore recognise that there are many political, environmental, or social issues about which clients feel strongly, but we are obliged to act in the overall interests of all clients.

Education

ESG issues are evolving quickly, and it is important that we keep pace with developments. We periodically educate ourselves and update the key identifiable risks by engaging with ESG specialists, attending conferences, and completing educational training courses.

In order to better understand specific industries, we also commission external professional reports with a focus on Environmental and Social impact in different sectors/industries. We also became signatories to the UN Principles for Responsible Investment in 2017.

If you have any questions about Cape Ann's ESG Policy or status as a UN PRI signatory, please contact John Lynch at +1 857 288 1500 or clientservice@capeannam.com.