

EXCLUSION POLICY

Schafer Cullen applies the following exclusion criteria to our ESG investment framework. Companies that are regarded as unsuitable investments under these criteria or are in severe and systematic breach of the UN Global Compact Principles will be placed on an exclusion list maintained and updated by our investment team.

1. Exclusion List

Funds managed in scope of this Exclusion Policy are restricted from making investments in the following areas:

➤ **Controversial Weapons**

Companies involved in the production, development or maintenance of controversial weapons or those which do not comply with the following treaties: The Ottawa Treaty (Anti-Personnel Mine Ban), Oslo Convention on Cluster Munitions, Chemical Weapons Convention, Biological Weapons Convention and Treaty of the Non-Proliferation of Nuclear Weapons.

➤ **Firearms & Munitions**

Companies involved in the production or development of firearms and munitions.

➤ **Fossil Fuel | Coal**

Companies involved in the mining of coal or coal-based energy production. With companies still adapting to the energy transition, we allow for up to 20% of a company's revenues to be derived from coal, as defined above, insofar as there is a clear commitment to transitioning away from coal over time.

➤ **Fossil Fuel | Oil Sands**

Companies involved in the production of oil sands. With companies still adapting to the energy transition, we allow up to 20% of a company's revenues to be derived from oil sands, insofar as there is a clear commitment to transitioning away from oil sands over time.

➤ **Gambling**

Companies involved in manufacturing gambling equipment, operating gambling establishments or supporting services supplied to gambling operations.

➤ **Tobacco**

Companies involved in the production of tobacco and tobacco products.

2. Implementation

Data Aggregation

The investment team is responsible for aggregating and reviewing the ESG exclusion list at least semi-annually. A review of the exclusion list will assess whether any changes in either policy or corporate behavior justifies exclusions to be lifted or the inclusion of new companies on the list.

Portfolio Monitoring

The trading and legal teams are responsible for ensuring that any investment related to funds in scope of this Exclusion Policy is screened against this exclusion list. The trading team screens all trades against this exclusion list pre-execution and the legal department monitors the portfolio for adherence to this policy on a monthly basis.

Dialogue & Divestment

Should companies new to the exclusion list represent existing investments, our protocol is to engage in dialogue with company management to encourage a change. If such change is not evident within 12 months, we will commit to divesting our position.

CONTROVERSIAL BEHAVIOR

Companies deemed to be in severe and systematic breach of the UN Global Compact Principles are excluded from our investable universe.

Human Rights

Businesses should:

1. support and respect the protection of internationally proclaimed human rights.
2. make sure that they are not complicit in human rights abuses.

Labor Standards

Businesses should uphold:

3. the freedom of association and the effective recognition of the right to collective bargaining.
4. the elimination of all forms of forced and compulsory labor.
5. the effective abolition of child labor.
6. the elimination of discrimination in respect of employment and occupation.

Environment

Businesses should:

7. support a precautionary approach to environmental challenges.
8. undertake initiatives to promote greater environmental responsibility.
9. encourage the development and diffusion of environmentally friendly technologies.

Corruption

Businesses should:

10. work against corruption in all its forms, including extortion and bribery.