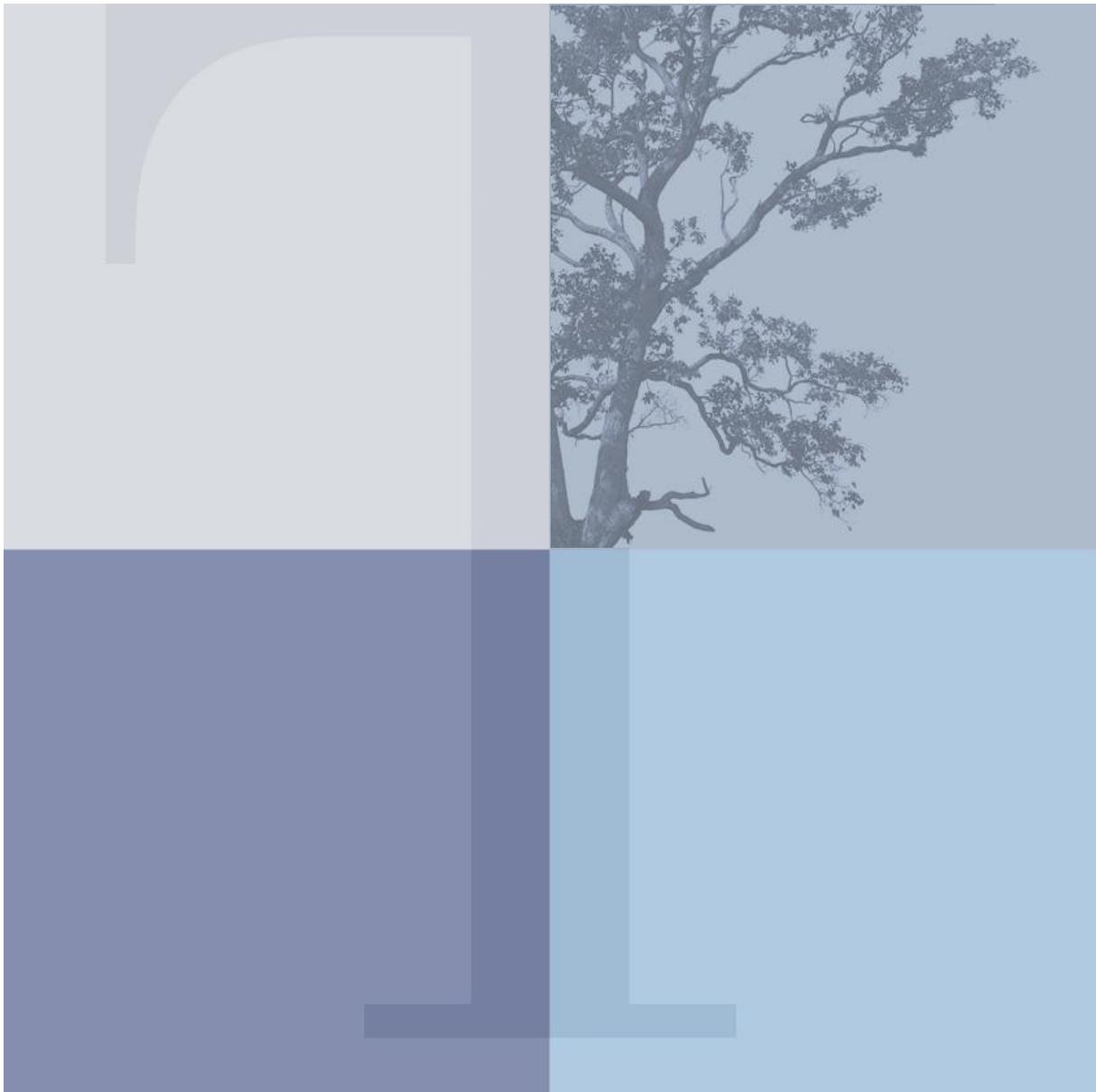


INTERNATIONAL ASSET MANAGERS



TARENO

RESPONSIBLE INVESTMENT POLICY



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1 INTRODUCTION

As one of Switzerland's largest independent asset management companies, we see it as our duty to act responsibly as investor, business partner and employer. We believe that corporate responsibility should be part of everything we do, from our own business to the investments we undertake on behalf of our clients. We therefore adhere to the highest industry standards and strive to act in the best interest of our clients and stakeholders at any time.

We are committed to investing our clients' capital in a responsible way, leading to an enhanced financial performance for the client as well as a positive impact on the environment and society as a whole. We are trying to achieve this by focusing on sustainable long-term value creation as well as an active approach to consider ESG (Environmental, Social, Governance) issues in our investment decisions.

Our goal is to enhance investment returns and protect value for our clients. Additionally, we ensure that the companies we invest in respect and ideally benefit their stakeholders, society and the environment.

The purpose of this policy is to integrate our commitment into our operations and processes. It sets out our investment beliefs and guidelines to guarantee the incorporation of ESG criteria in a meaningful and consistent manner.

2 COMMITMENT

2.1.1 UNPRI

To demonstrate our commitment to responsible investing we have signed up to the United Nations Principles for Responsible Investment (PRI). These six principles are based on recognised international conventions aimed at investment companies.

PRINCIPLE 1

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

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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.

As a signatory, Tareno AG annually reports to the UNPRI on its activities and progress with regard to our responsible investments. Our annual report is publically available.

More information is available at www.unpri.org

3 EXCLUSION

To ensure that our investments are in line with our sustainability approach, we have established minimum requirements for all companies in which we invest. Advisory mandates are not affected by this guideline. However, such restrictions can of course also be implemented for these mandates.

A negative screening helps us to enforce our minimum requirements, that is to exclude companies with exposure to certain business sectors or companies that are involved in any severe controversies.

We also exclude companies for which no research is available to us.

3.1 Business Involvement

We exclude companies with an exposure of more than 5% of revenues in the following business sectors: fracking, coal mining, coal energy, nuclear energy, oil sands, pornography, armaments, and uranium mining. This applies to all our active investments.

For the Tareno Global Water Solutions Fund we additionally exclude sectors such as alcohol, gambling, GMO and tobacco. The exclusion criteria for the fund are based on a 0% tolerance threshold.

3.1.1 Controversial Weapons Policy

Tareno actively meets its responsibility when it comes to controversial weapons.

Controversial weapons include biological, chemical and nuclear weapons, cluster weapons and anti-personnel mines. The use of these types of weapons has serious humanitarian consequences for the civilian population. These devastating effects are felt not only during a conflict, but often years later.

Tareno does not invest in companies that are active in the field of controversial weapons. Within the ESG framework, processes have been established to identify these companies and exclude them from an investment. This decision concerns the funds managed by Tareno as well as all portfolio management mandates.

The list of companies to be excluded is updated on a periodic basis with the support of external research providers.

3.2 Controversies

We do not invest in companies that are involved in any severe controversies. Automated alerts enable us to react quickly when a new controversy arises.

3.3 UN Global Compact

We only invest into companies which signed the UN Global Compact framework.

The UN Global Compact is a UN-led initiative that encourages companies worldwide to adopt sustainable and socially responsible policies in order to uphold their basic responsibilities to people and the planet. It is based on ten principles that are supposed to define a company's value system and their approach to doing business.

By excluding companies that have not signed the UN Global Compact we want to ensure that we do not invest in companies which are not respecting basic human or labour rights.

More information can be found at www.unglobalcompact.org

4 ESG INTEGRATION

A company's environmental, social and governance practices may have a material impact on its financial performance. Integrating ESG criteria in the investment process can therefore help to identify the company's underlying risks and opportunities and at the same time create a positive effect on society and the environment.

Our proprietary ESG model helps us to monitor the ESG performance of all companies in our equity investment universe. This assessment, along with our fundamental and technical analyses, enables us to identify companies with good and sustainable business models and the ability to create long-term value for investors.

In our model, we use qualitative as well as quantitative metrics to evaluate the ESG score of a company. The data used are supplied by Arabesque S-Ray. We also consider how companies handle ESG challenges (momentum of ESG management) in practice.

Finally, every company is given a final ESG score based on the criteria mentioned above.

5 THEME INVESTING

Impact investing goes a step further than ESG investing. It is no longer just about the practices within a company but also about its products and services and whether they have a positive impact on society or the environment. This is the approach we take with our thematic fund, the Tareno Global Water Solutions Fund.

Thematic investments focus on long-term macroeconomic trends and their underlying investment opportunities. Our Tareno Global Water Solutions Fund invests in companies worldwide that are positioned along the value chain of water. Water as an investment theme is based on long-term structural developments such as population growth, climate change, urbanisation and technological change.

Our negative screening as well as ESG integration are also applied to the fund.

The Tareno Global Water Solutions Fund's investments are aligned with Sustainable Development Goal 6 (clean water and sanitation). The fund is classified under Article 9 SFDR.

The fund has been awarded the FNG (Forum Nachhaltige Geldanlagen) label several times.

6 CLIMATE AND ENVIRONMENT

Climate change is undisputedly one of the biggest threats to environment and our society. Mitigating climate change and reducing greenhouse gas (GHG) emissions on a global scale is a major challenge that can only be overcome if governments, companies and investors assume their responsibility and contribute to the change towards a low-carbon and climate resilient economy.

We expect companies to reduce their negative impact on the environment where they can and to report on their direct and indirect GHG emissions. We support the TCFD (Task Force on Climate-related Financial Disclosures) recommendations and are committed to further promote transparency to contribute to best practice in the industry. Additionally, we aim to minimise our own operational footprint wherever we can.

Our climate-friendly investment solution invests only in companies that are in line with the objectives of the Paris Agreement. In the long term, we aim to align all our portfolios with the goals of the Paris Agreement, in order to protect our own and our clients' assets from climate-related financial risks and to contribute to a sustainable change towards a low-carbon economy.

7 ACTIVE OWNERSHIP AND ENGAGEMENT

We strive to be active owners by exercising our voting rights and actively engaging with the companies in which we invest. Our activities are aimed at promoting robust corporate governance structures and improved social and environmental performance to ensure long-term value creation and protection of our own investments against reputational risks.

7.1 Proxy Voting

We exercise our voting rights for the Tareno Global Water Solutions Fund through ISS according to their sustainability policy. Voting rights for our clients' investments can be exercised on request.

7.2 Individual Engagement

The investment team is in regular contact with all companies in which we are invested. Inputs and information that we receive through communication channels will be combined with our existing knowledge and experience, ultimately deriving our prioritized engagement activities. We use a value-at-risk approach to identify key exposures in our portfolio. We pursue two to three company engagements per year and monitor them over a three-year period. The engagements are conducted through internal resources (Investment Team and Advisory Board) based on our engagement practices. In selected cases, where appropriate, we use external providers.

7.3 Collaborative Engagement

As shareholders, we strive to work with our peers and partners in the industry to foster shared commitment. Therefore, cooperation is beneficial, for example with several asset owners joining forces for selected mandates, e.g. coordinated by the UN PRI. With regard to our US businesses, we regularly review whether collaborative engagements under the auspices of the US CERES and led by lead investors in our industry are attractive to us.

8 REPORTING

Tareno's annual reporting to the UNPRI is available on the PRI data portal. The reporting also includes activities related to engagement (e.g. company visits, exercise of voting rights, engagement activities).

We regularly report to the Board of Directors on all our activities and our progress regarding ESG.

The ESG profiles of our clients' investments are available on request.

9 CORPORATE RESPONSIBILITY

In order to demonstrate our commitment as a responsible player in the financial industry we are convinced that we need to implement these principles within our company first. We want to ensure that Tareno is managed in a responsible manner and in accordance with the practices we apply to our investments.

9.1.1 Environmental

To minimise our environmental footprint we will:

- reduce the consumption of paper and other office supplies
- eliminate the use of disposable plastics and commit to recycling waste
- reduce the greenhouse gas emissions generated by our business trips

9.1.2 Social

Our wealth lies in our human capital. To protect and retain this wealth we will:

- promote diversity and equal opportunities regardless of gender, age, culture or religion
- support good health, safety and well-being of our employees
- offer part-time positions and flexible working hours
- support and promote continuing education and trainings
- create a working environment in which each employee's contribution is encouraged, recognised, respected and rewarded

9.1.3 Governance

Good governance is crucial for an efficient management of our business. To ensure that we will:

- respect all applicable laws and regulations and adhere to the highest industry standards
- create a culture of ethical and responsible conduct
- separate execution and decision-making functions
- establish systems of internal control and risk management
- identify and try to avoid potential conflicts of interest

10 MEMBERSHIPS AND PARTNERS

10.1 Memberships

We are a member of Swiss Sustainable Finance (SSF). SSF aims to strengthen Switzerland's position in the global marketplace for sustainable finance by informing on best practices and creating supportive tools and frameworks.

10.2 Research Partner

As far as research is concerned, we rely on our partners, who have great expertise and experience. We use research from Arabesque S-Ray, ISS-oekom, Bloomberg and Thomson Reuters.

Arabesque S-Ray is the world's first provider to collect, process and deliver information on sustainability through the latest information technology and artificial intelligence. Their method uses more than 400 parameters from a variety of different data sources, which are processed on a daily basis. Tareno became the first asset manager in Switzerland to start working with S-Ray™ in September 2017.

ISS-oekom is our partner for proxy voting. ISS-oekom is the leading provider of corporate governance and responsible investment solutions for institutional investors.

Data from Bloomberg and Thomson Reuters is used in our valuation models, for fundamental figures as well as qualitative criteria such as the existence of a water policy.

11 DISCLAIMER

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