RESPONSIBLE INVESTMENT POLICY

Picard Angst Group
Swiss Strength. Traditional Values. Sustainable Future.

CONTENT

01 INTRODUCTION

Sustainability is a fundamental component of Picard Angst Group (PAG). As an active Manager, it is our goal and our responsibility to support our clients in achieving their investment goals in the best possible and sustainable way.

Consistent with our fiduciary duty to act in the best interests of our clients and our adherence to the UN Principles for Responsible Investment (UN PRI), we are committed to integrating Environmental, Social and Governance (ESG) criteria in our investment processes and ownership practices.

Through our stewardship programme, we aim to fulfil our responsibilities as investors and to help shape a more sustainable, prosperous, healthy and equitable society.

The most important asset of a company are motivated and responsible employees.

To promote awareness and integration of sustainability in all our activities among employees, PAG emphasizes great importance to a transparent information policy as well as education and training in sustainability.

This document explains how PAG implements Responsible Investment strategies.

02 PURPOSE & SCOPE

Purpose

This Responsible Investment Policy was developed to outline PAG's adherence to the requirements of the integration of Sustainability Risks in the investment decision making process and to provide investors and clients with a clear description on the group's ESG investment beliefs.

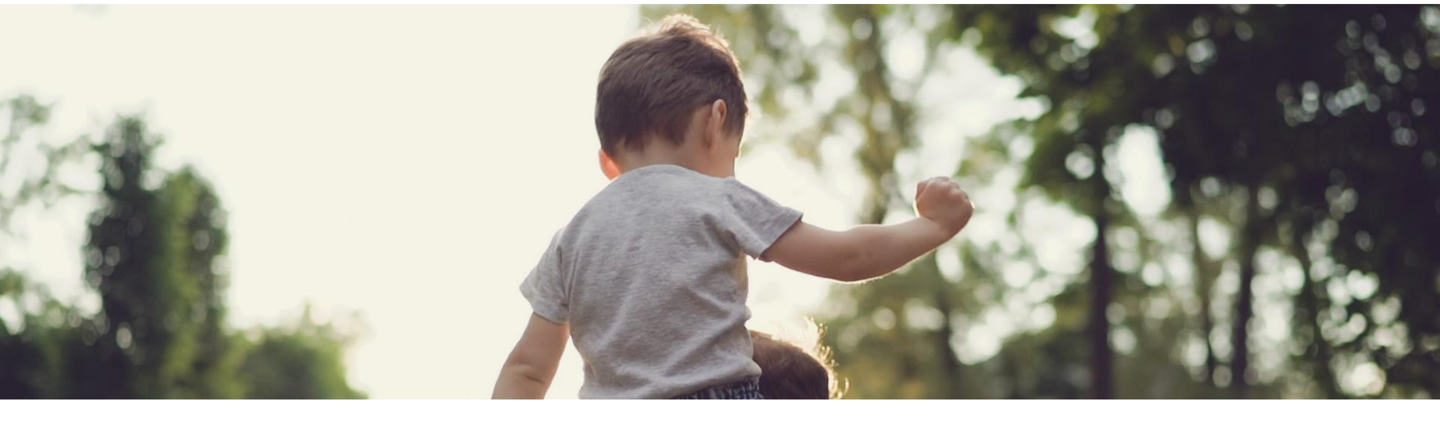
By acting in accordance with the guidelines set out in the Responsible Investment Policy, the company shall maintain consistency in its vision of Responsible Investment.

Scope

Unless otherwise specified, this Responsible Investment Policy applies to the investment of internal assets under management, assets under advisory as well as the selection of third-party funds or managers with the exception of execution-only arrangements where PAG may provide advisory services, but final investment decisions taken by the client may deviate from recommendations provided.

Furthermore, it covers in principle the structuring of investment products issued by third parties for which PAG provides services as an intermediary in the structuring and distribution.

In addition, our integration of Sustainability Risks can be customized by the type of investment vehicle to meet the goals and values of clients.



03 GOVERNANCE

PAG ensures that the implementation of and the compliance with the Responsible Investment Policy is ensured within the company by means of a suitable organization and clear responsibility.

We provide adequate resources to promote uniform knowledge and best practices of sustainability within the company.

The main participants in the Responsible Investment function are following:

- Group and Board Level
- PA ESG Competence Center
- Responsible Investment Committee
- Investment Team / Portfolio Management
- Remuneration Policy

Group and Board Level

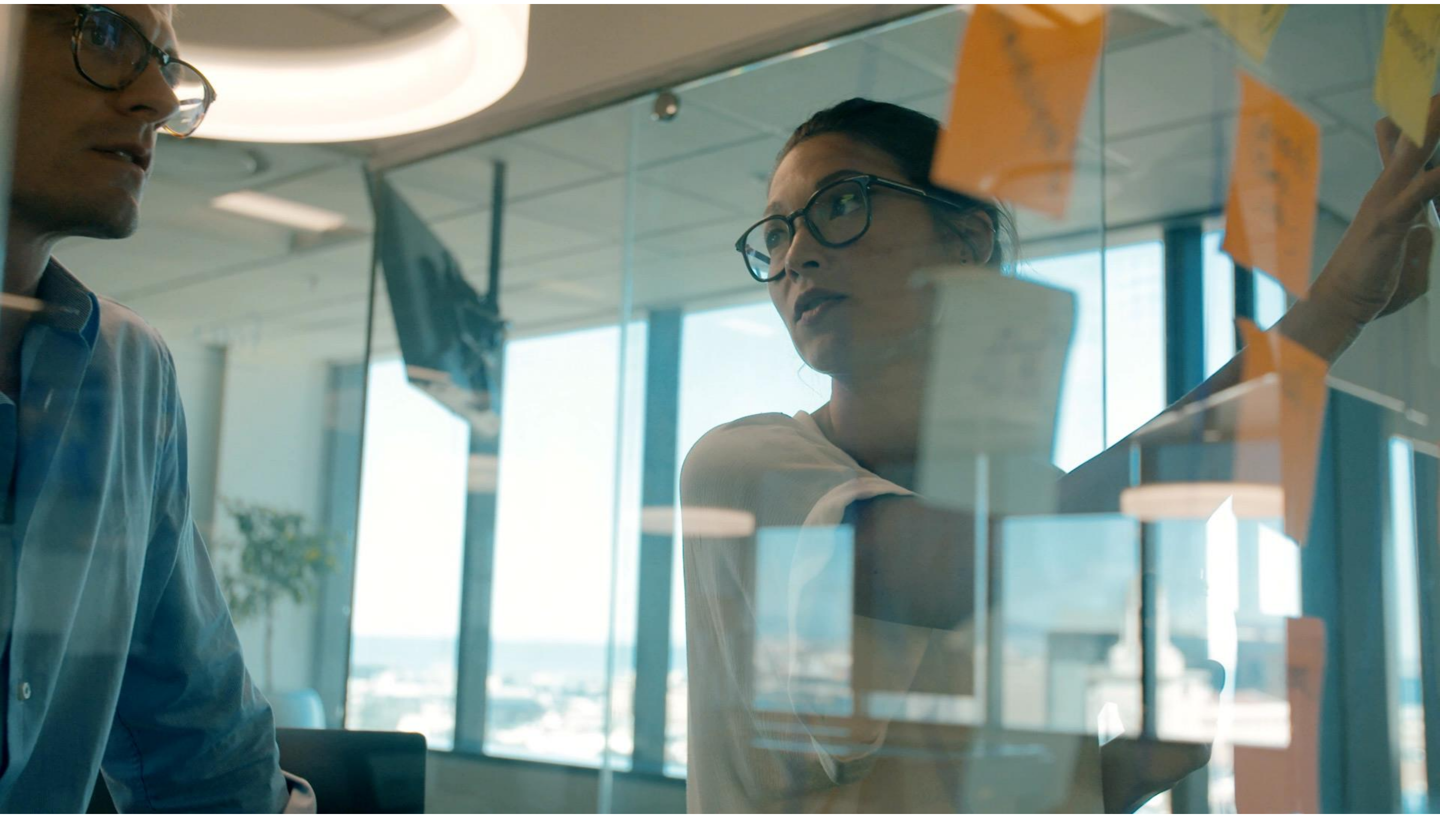
Sustainable Business Development and Responsible Investing have significant similarities. The Board has strategic responsibility for the long-term, successful development of business activities and the responsible management of risks and resources. The Responsible Investment Strategy is reviewed by the board of directors on an annual basis.

The Responsible Investing Functions are delegated to the relevant committees, teams and employees.

ESG Competence Center

PAG has consolidated all ESG activities, due to its strategic importance, within the company as well as in relation to customers and partners within the PA ESG Competence Center.

This is headed by the Chief Sustainability Officer. The PA ESG Competence Center is responsible for the strategic steps of the Responsible Investment activities, including the review, development and monitoring of the Responsible Investment Policy in cooperation with the Responsible Investment Committee.



Responsible Investment Committee

The Responsible Investment Committee is comprised of senior professionals from portfolio management, sales, marketing along with legal and compliance. The group brings in different views and expert knowledge and ensures that, for example, new regulatory requirements, new investment strategies or customer needs are incorporated into the ESG activities as well as in the Responsible Investment Policy.

Remuneration Policy

The group's remuneration policy is aligned with the long-term nature of the business and fiduciary focus. The remuneration policy promotes sound and effective risk management and does not encourage excessive risk-taking, which is inconsistent with our risk profile as well as the risk profiles of the assets, that PAG manages or advises on including sustainability risks stemming, in particular from climate-related events or from the society's response to climate change.

Investment Team / Portfolio Management

The Investment Team / Portfolio Management is responsible for the ESG-Integration in the investment decisions. They are also involved in the selection and participation of collaborative engagements and in the exercising of PAG stewardship program.

«We have to deal with what will happen tomorrow and the day after that and especially how we can take care of the environment. It is key to know, how to invest in sustainable investments»

- *Maurice Picard CEO Picard Angst*

04 RESPONSIBLE INVESTMENT STRATEGY FRAMEWORK

The Sustainable Investment Strategy Framework set forth in the following sections prescribes the principles applicable to investment processes and portfolio construction in order to integrate ESG considerations and risks along the pillars of:

- Norms-based Screening
- ESG Integration
- Impact Investing
- Climate Protection measures

It should be noted that some Responsible Investment Principles may not be applicable to certain asset classes (e.g., commodities).

Furthermore, certain types of products or mandates may impose additional restrictions, more stringent exclusion or integration requirement, or deviate from some principles subject to client requirements.

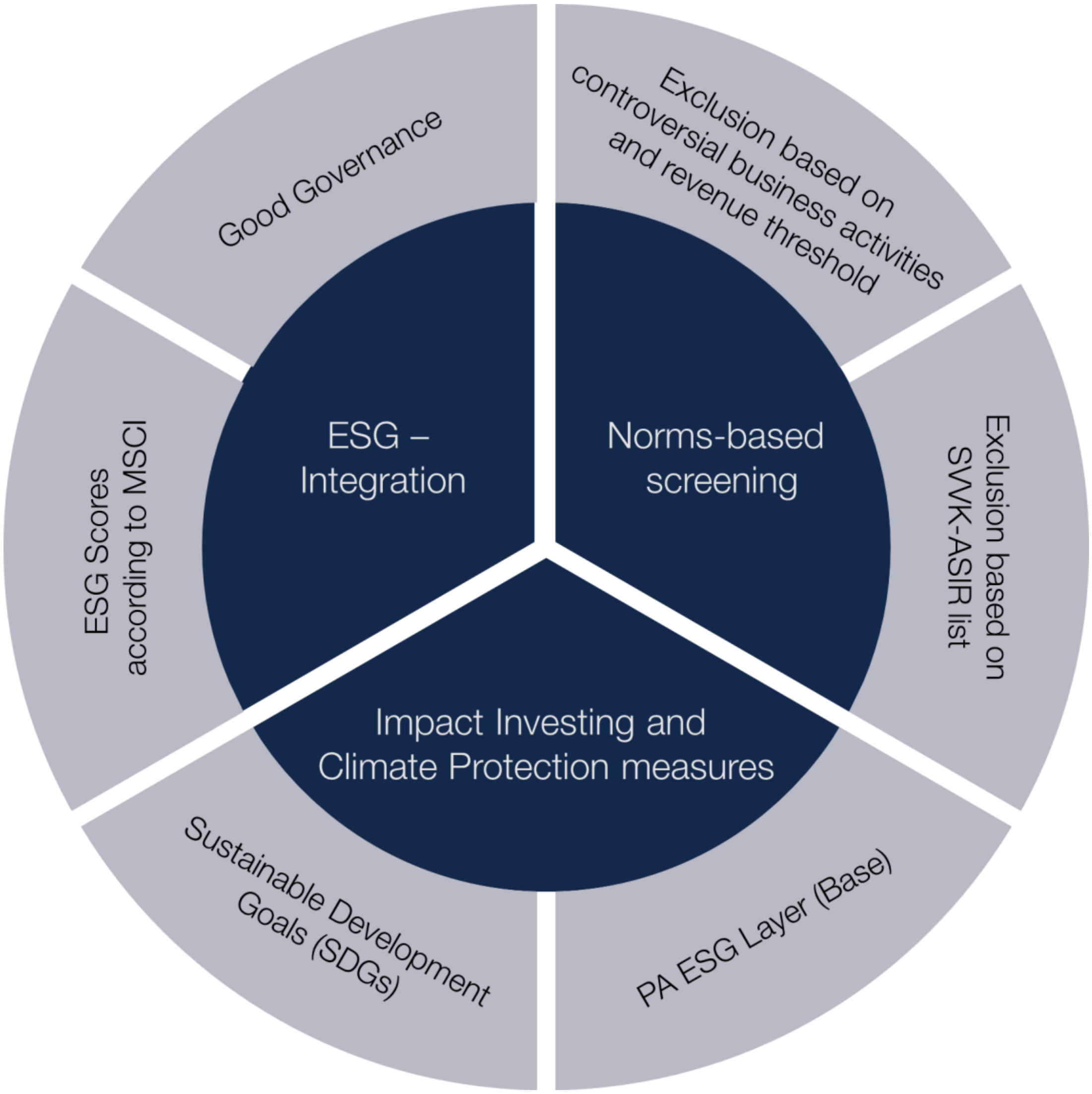
To resolve this conflicting objective PAG has developed its own modular and flexible ESG layer, the PA ESG Layer, in order to implement and meet the various Responsible Investment Strategy Requirements. (See section 05: Product-Specific Approaches)

If found in violation of principles, for example due to changes to ratings and scores or shifts in business activity, existing investments are divested from relevant portfolios based on market conditions, but in principle no later than one month after taking effect.

ESG Data is based on reliable sources gathered from reputable third-party providers, e.g., MSCI[1], as well as internal ESG criteria. These data providers and other data sources are assessed on an ongoing basis for data quality, coverage and other criteria.

[1] www.msci.com

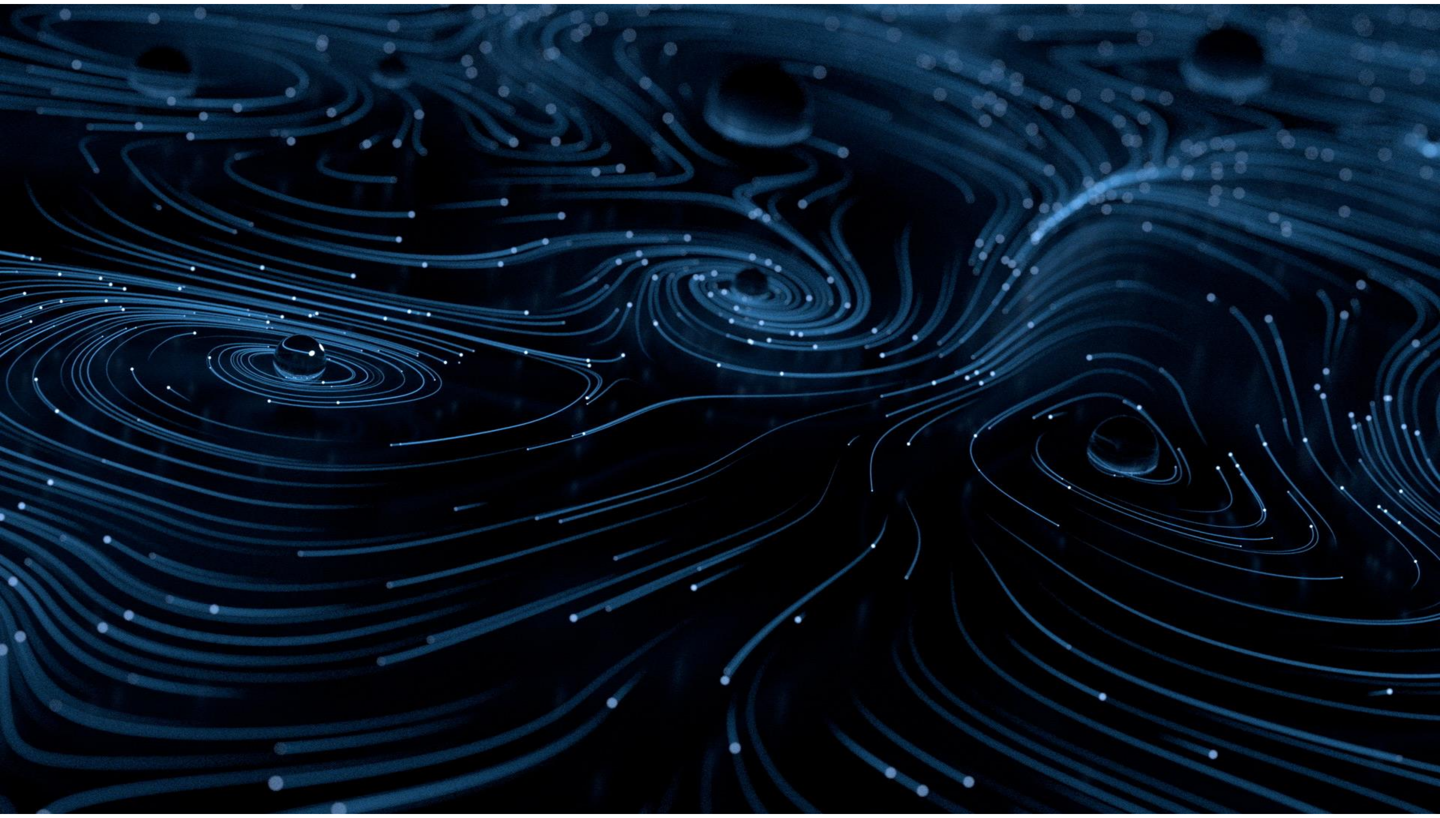
Responsible Investment Strategy Framework



Norms-based Exclusionary Screening

The key features of our exclusion framework are based on a combination of revenue thresholds derived from controversial business activities that are deemed harmful to society, climate change, and environment, consistent with the full list of Swiss Association for Responsible Investment (SVVK-ASIRE)[2], very severe breaches to ESG controversies and international norms on human rights, labour standards, environmental protection and anti-corruption. Such exclusions limit the exposure to industries and businesses subject to material sustainability risks.

The exclusion framework applies to the investment of internal assets under management, assets under advisory, structuring of investment products issued by third parties for which PAG provides services as an intermediary in the structuring and distribution as well as in the selection of third-party funds or managers and will ensure that a minimum ESG level is achieved for all our investment strategies. The framework does not apply to passive strategies that replicate market indices.



[2] www.svvk-asir.ch

PA ESG Layer (Base)

Exclusions based on controversial business activities and revenue threshold

Business Activities	Revenue Threshold
Companies engaged in the development, production, stockpiling and distribution of controversial weapons like cluster munitions, antipersonnel mines and nuclear weapons	0%
Companies with a significant portion of their revenues from following business sectors: thermal coal, unconventional oil & gas, adult entertainment, weapons and exposure to potentially stranded fossil fuel assets in combination with bad governance, adult entertainment and weapons	
• Coal - Involvement	10%
• Unconventional O&G – Revenue threshold	>=10%
• Exposure to potentially stranded fossil fuel assets and an inadequate governance	0%
• Adult Entertainment Revenue threshold	>=25%
• Weapons Maximum Percentage of Revenue	>=25%

Exclusions based on SVVK-ASIR list, ESG controversies and International Norms

Breaches of ESG controversies and international norms

- ESG controversies score = Very severe
- UN Global Compact Principles = Fail
- UN Guiding Principles for Business and Human Rights = Fail

ESG Integration

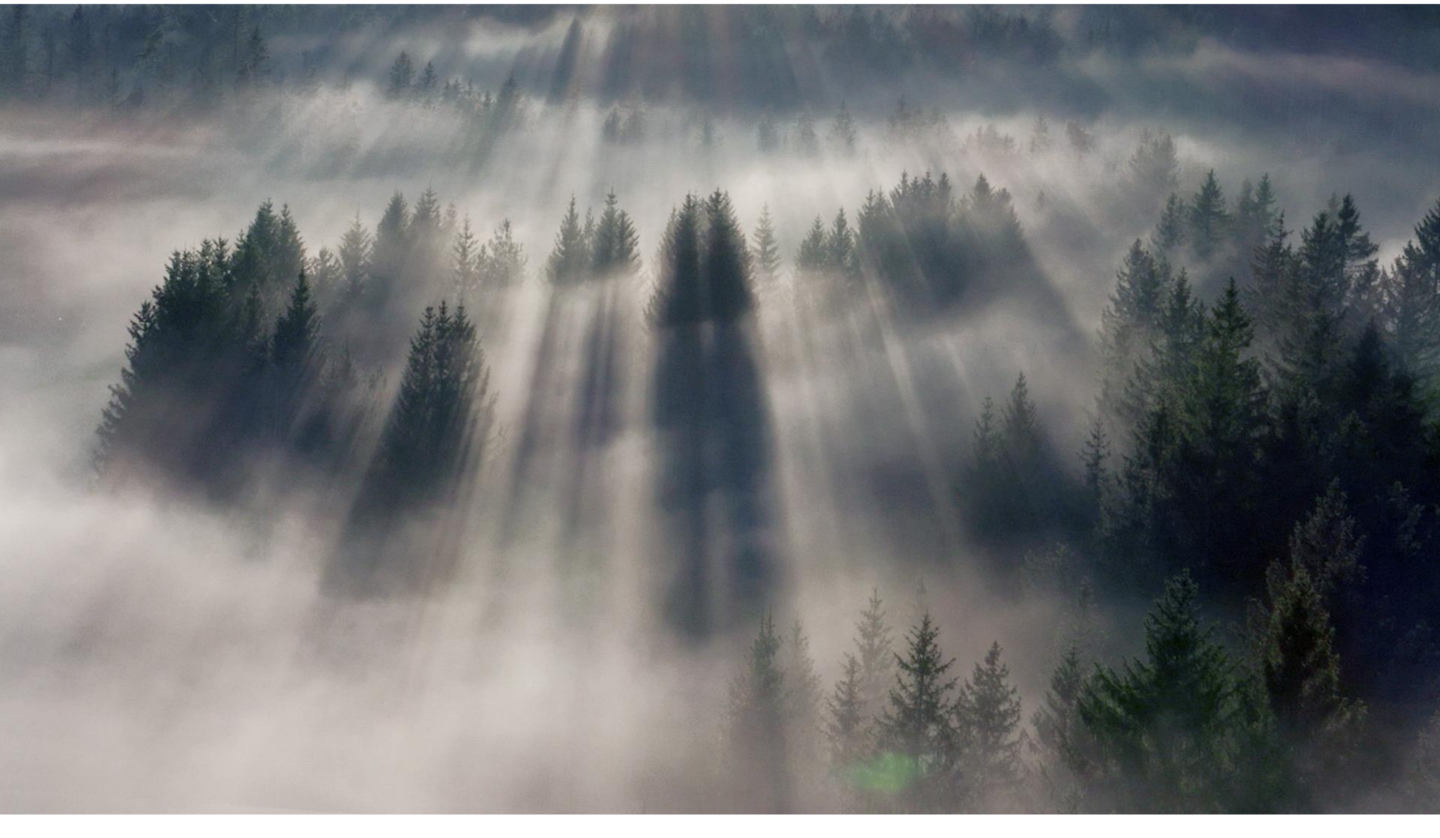
Consistent with our fiduciary duty to act in the best interests of our clients and our adherence to the UN Principles for Responsible Investment (UN PRI), we are committed to integrating Environmental, Social and Governance (ESG) criteria in our investment processes. ESG factors are an additional relevant source of information, part of portfolio and risk management to identify and exploit investment opportunities and mitigate investment risks.

Companies with the lowest ESG scores and thus highest sustainability risks worsen the return / risk profile of a portfolio over time and are not compatible with our values of Responsible Investing.

In the whole portfolio construction and management process, eligible companies must have a minimum rating of a B (according to MSCI's ESG scoring database).

As a result, we consistently exclude companies with the highest sustainability risks from our investments.

Moreover, our portfolios tend to favour companies with positive ESG momentum and higher ESG scores relative to their own peers.



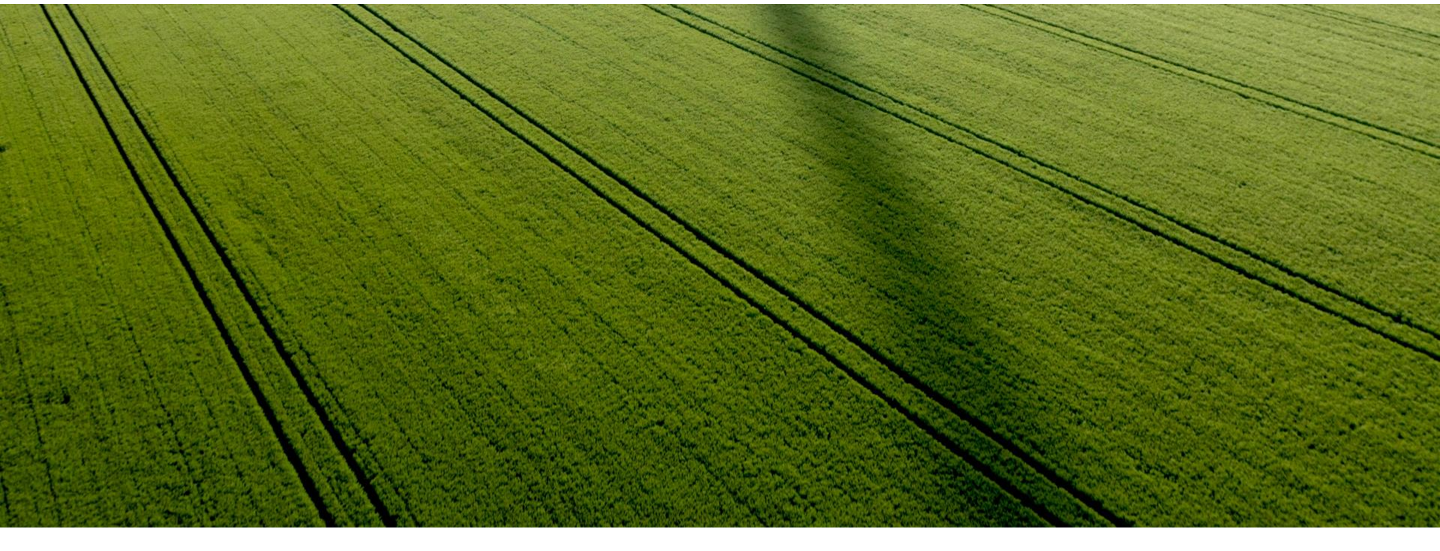
Impact Investing and Climate Protection Measures

Responsible Investing also means defining a framework to sufficiently address the greatest social and environmental challenges facing society. In addition to our Norms-Based Exclusionary Screening Framework, companies that are harmful or unethical to society, the climate or the environment due to their controversial business activities, will be excluded. We mitigate where possible adverse impact through a combination of portfolio management decisions and stewardship activities.

In line with our fiduciary duty to act as a responsible asset manager and as a signatory to the UN Principles for Responsible Investment (UN PRI), we support the UN Sustainable Development Goals (SDGs) and see this as an appropriate framework for addressing the most relevant global, social and environmental issues, guiding the implementation of impact investment strategies and providing measurement and transparency of impact for society and the environment.

The Sustainable Development Goals (SDGs) correspond to 17 goals defined by the United Nations and were adopted by the governments of 193 countries of the world in 2015. These 17 Goals constitute a comprehensive agenda for people, the planet and global prosperity by 2030.

Climate change is one of the single largest threats to the global economy and in general to society and the environment. It implies specific risks to the companies and other entities we invest in. To reduce potential climate risk and to address climate protection measures, PAG is working on an ongoing basis to assess climate change effects and the impact of the low-carbon transition on sectors and companies.



Within the PA ESG Layer (Base) we exclude all companies with a substantial exposure to
Companies that derive ten percent or more of total annual revenues from thermal coal
Companies with a significant exposure to unconventional oil and gas with 10% revenue threshold. It includes revenues from oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane
Exposure to potentially stranded fossil fuel assets and an inadequate governance

05 PRODUCT-SPECIFIC APPROACHES

Picard Angst Funds and Third-Party Funds

For a large number of PAG's investment products and -strategies, the integration of ESG criteria goes beyond the level of our minimum ESG integration framework as defined in our PA ESG Layer (Base). These investment strategies are made available to clients as investment products with more extensive ESG criteria or, where applicable, as sustainable investment products as defined by the EU Sustainable Financial Disclosure Regulation (SFDR). Specific information, on which additional ESG criteria have been included in the investment strategy, can be found on the respective product landing page.

Directly to our solutions

PAG offers a series of thematic ESG Strategies. They are characterized by the fact that we use our own methods to identify companies that can be expected to contribute to or benefit from the respective ESG topic.

When using third-party funds in our multi-asset or advisory mandates, we generally apply the minimum exclusion criteria according to PA ESG Layer (Base). If an active third-party fund does not comply with the requirements in existing mandates, the responsible investment team / portfolio management must justify this and, if possible, look for alternatives. For new mandates, the PA ESG Layer (Base) must be complied with.

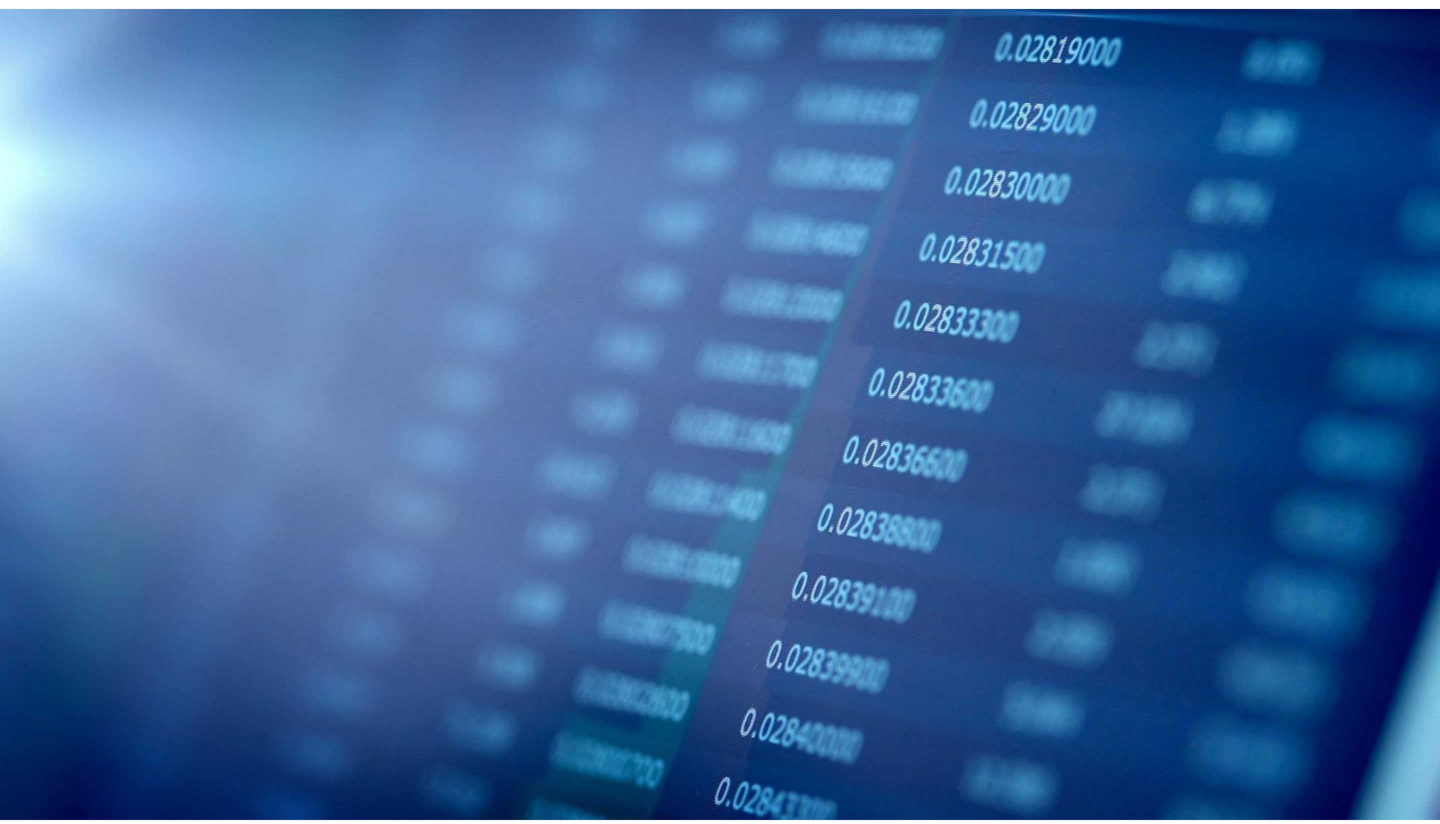
Mandates and Build Your Own Equity Portfolios

As a company with know-how and experience for data science and optimization strategies, we are able to provide customized portfolios or investment strategies on a mandate basis.

For this purpose, we offer with "build your own equity portfolio" a framework to put together individual investment and sustainability strategies. These strategies are differentiated by specific exclusion filters such as tobacco, alcohol, gambling, adult entertainment, weapons, etc., minimum ESG rating requirements, a lower carbon footprint compared to a benchmark, compliance with EU taxonomy, portfolio warming potential (temperature) in line with the Paris Agreement, or a high proportion of returns for impact solutions.

We offer this service for Swiss and Global equity portfolios as well as for thematic strategies.

Our ESG+ strategies are characterized by the fact that, in addition to applying Norms-Based Exclusionary Screening, they optimize the sustainability profile compared to the benchmark in the dimensions of ESG Score, Carbon Footprint and Impact Revenue while complying with the specified tracking error.



Structured Products and Global Note Program

The exclusion framework also applies in principle to the structuring of investment products issued by third parties for which PAG provides services as an intermediary in structuring and distribution.

The sustainability approach of the issuer and/or client and the associated classification of the underlyings may deviate from the PAG approach. In case of a deviating ESG classification, PAG may provide a negative recomm-endation on the underlying, but the final decision remains with the client.

Within the Global Note Program, PAG issues and distributes bonds with an impact investing character.

The aim is to finance infrastructure projects, e.g., in the areas of logistics and energy, together with partners. These projects are characterized by the fact that they make a measurable contribution to one or more UN Sustainable Development Goals.

06 STEWARDSHIP

Proxy Voting

The purpose of our voting is to protect and promote the rights and long-term interests of our clients as shareholders. We aim to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards.

The voting rights process is designed to ensure that voting rights for shares under the responsibility of PAG are exercised on a consistent basis by establishing key principles for decision-making and defining procedures and responsibilities.

To assist in the voting right process, PAG may utilize the services of recognized independent proxy advisors and third-party specialists, who conduct research and facilitate the execution of voting decisions at all relevant corporate meetings worldwide.

At the same time, we reserve the right to exercise voting rights independently at any time.

We follow in principle Swiss and international corporate governance rules as well as the United Nations Principles for Responsible Investment (UN PRI).

The PAG's proxy voting's guidelines are reviewed each year and adjusted as necessary to reflect the specifics of investment products and strategies.

Engagement

As part of our active ownership policy, we engage in active dialog with companies on specific or cross-cutting ESG issues through our memberships in industry associations.

As a signatory to the UN PRI, we are involved through the PRI Collaboration Platform and various investor initiatives. Our approach aims to deliver long-term sustainable returns while creating positive environmental and social impact.

Signatory of:

PRI Principles for Responsible Investment

07 SUSTAINABILITY RISKS AND RISK MANAGEMENT

Sustainability Risk Integration

PAG is confident that the integration of Sustainable Risk in the investment process will have a positive effect on the risk-return profile.

We see ESG as an additional relevant source of information and part of risk management to identify and exploit investment opportunities, enhance returns and mitigate investment risks, thereby increasing the likelihood of achieving our client's investment objectives.

ESG Data is based on reliable sources gathered from reputable third-party providers, e.g., MSCI, as well as internal ESG criteria.

The Responsible Investment Strategy Framework with the pillars

- Norms-based screening
- ESG integration
- Impact Investing
- Climate Protection measures

is integrated into the investment process from the outset and ensures that the greatest sustainable risks are addressed and avoided as far as possible through the application of exclusions by means of the PA ESG Layer (Base), ESG integration, minimum ESG rating specifications as well as climate protection measures.

With the support of our stewardship policy, we can influence corporate policy through the exercise of voting rights and through engagement activities, thus initiating or bringing about improvements in company-specific sustainability risk.

Types of Risk

Sustainability risks arising from any environmental, social or governance events or conditions that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

The following risks may negatively affect the value of investments by impairing assets, productivity or revenues, or by increasing liabilities, capital expenditures, operating and financing costs. Such risks will vary for each investment strategy and products, and include but are not limited to the following:

Physical Risk

Environmental Risk

Social Risk

Transition Risk

Governance Risk

Physical Risk

Physical risks are principally linked to climate-related events resulting from climate change. This risk includes acute risks arising from extreme weather events such as storms, floods, droughts, fires or heatwaves, and chronic risks arising from gradual changes in the climate, such as changing rainfall patterns, rising sea levels, ocean acidification, and bio-diversity loss.

Environmental Risk

Environmental risks refer primarily to environmental capital degradation and/or natural resource depletion, which result from air pollution, water pollution, waste generation, depletion of fresh-water and marine resources, loss of biodiversity or damage to ecosystems, as well as overuse of raw material.

Social Risk

Social risks are mainly related to human capital and product liability such as poor labor standards, human rights violations, public health damages, data privacy violations, increased inequalities, demographic changes or controversy raw material sourcing.

Transition Risk

Transition risks to society and companies are primarily associated with the transition to a low-carbon economy due to the exploration, production, processing, trading, and sale of fossil fuels or their reliance on carbon-intensive materials, processes, products, and services. Transition can have a variety of impacts, such as increasing costs and/or limiting greenhouse gas emissions, energy efficiency requirements, a decline in demand for fossil fuels, or a shift to alternative energy sources due to policy, regulatory, techno-logical, and demand-side changes.

Governance Risk

Governance risk related primarily to weak corporate governance structures such as poorly functioning boards, poor diversity, inadequate compensation structures, abuse of minority shareholder or bondholder rights, poor controls, aggressive tax planning and accounting practices, lack of business ethics, bribery and corruption, Governance risks can negatively impact the value of in-vestments due to poor strategic decisions, conflicts of interest, reputational damage, increased liabilities or loss of investor confidence.

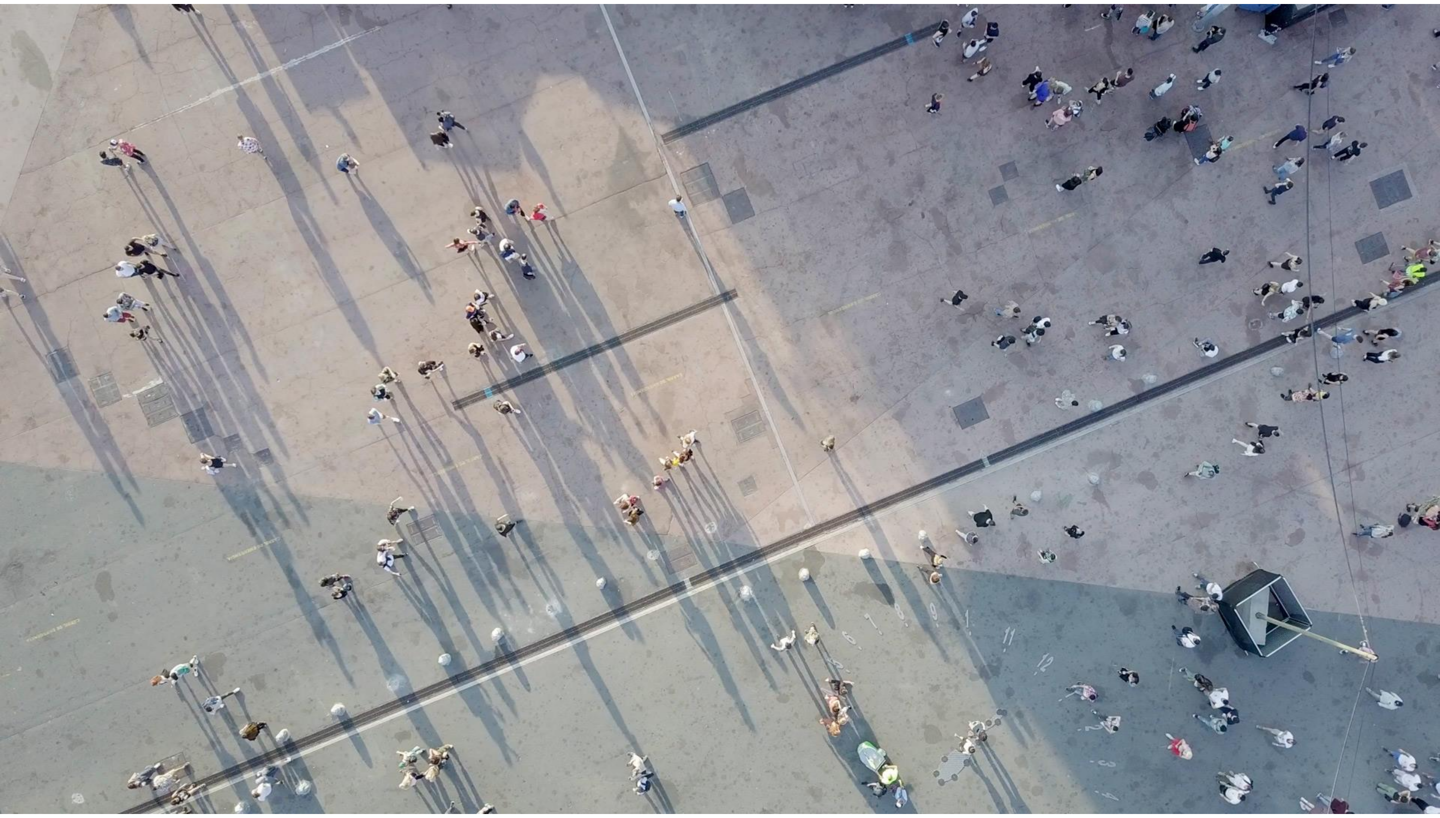
Conflicts of Interest

PAG is aware that potential or actual conflicts of interests may arise in pursuit of the responsible investment and sustainability objectives set forth in this policy and in conjunction with PAG's shareholder and service provider engagement activities.

Consequently, PAG has policies in place for the purpose of taking all reasonable steps to prevent conflicts of interests. Where such conflicts cannot be avoided, PAG will identify, manage and monitor the conflicts and, where appropriate, disclose them to clients to prevent them from adversely affecting the interests of the clients

«At Picard Angst, we firmly believe that a holistic approach that takes economic criteria into account as well as the environment, social and corporate management leads to better results.»

- Daniel Gerber
Chief Sustainability Officer



08 REPORTING AND TRANSPARENCY

We provide supplement reports on issues of ESG relevance via our website, through Annual Reports and the UN PRI reporting framework and any other type of Responsible Investment Policy documentation.

United Nations Principles for Responsible Investment (UN PRI)

As a signatory to the United Nations Principles for Responsible Investment (UN PRI), PAG ensures that all our investment decisions incorporate ESG considerations, taking environ-mental impact, social aspects and governance into account and include active engagement and the exercising of voting rights.

Signatory of:

PRI Principles for Responsible Investment

EU Sustainable Finance Disclosure Regulation (SFDR)

PAG complies with the EU Sustainable Finance Disclosure Regulation.

Reports	Website
Product specific reporting on ESG	Downloadcenter
Annual Proxy Voting Activity Report	Downloadcenter

09
REVIEW OF POLICY

The Responsible Investment Policy is reviewed on a regular basis, at least once a year. This periodic review shall assess if the Policy:

- is working and implemented
- is compliant with national and international regulations

Picard Angst works continuously to improve its policies and procedures in accordance with its objectives. The Responsible Investment Policy applies to the Company and its Staff.

The current version of the Responsible Investment Policy is available on the Picard Angst website.

Responsible Investment Policy

PICARD ANGST

Picard Angst AG
Bahnhofstrasse 13 – 15
CH-8808 Pfäffikon
T +41 55 290 55 55

info@picardangst.com
www.picardangst.ch