

Responsible Investing Policy

Introduction

Since Kingwest & Company was founded 35 years ago, we have aimed to ensure the prosperity of our clients over the long term. We believe that environmental, social, and governance (ESG) issues can positively and negatively impact the long-term performance of investment portfolios. This Responsible Investing (RI) Policy sets out the principles and guidelines that we apply to ensure that ESG issues are adequately considered and further the success of our investment process.

Commitment

In 2017 we became signatories of the Principles of Responsible Investing, a global, investor-led initiative supported by the United Nations. As signatories, we affirm our commitment to the following principles:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

ESG and the Investment Process

Kingwest invests with the expectation of being long term owners of each company in our portfolios and we appreciate that ESG issues can have a sizable financial impact on companies. We believe that ESG analysis is an integral part of the investment process. Throughout our process, the investment team will consider any material ESG issues. The specific issues and risks considered will vary depending on the nature of the candidate company being researched or portfolio company being monitored. This consideration is consistent with our fiduciary duty to our clients to consider all relevant information and material risks in investment analysis and decision making. ESG information gathered during the qualitative parts of our investment process can impact our quantitative value estimates and our ultimate investment decision.

In addition to an ESG integration approach, there are certain socially responsible investment areas which we do not invest in. For example, we do not invest in tobacco companies or companies that violate the prohibitions contained in the United Nations Conventions on Landmines and Cluster Munitions. We affirm our adherence and receive third party updates for exclusionary lists on a quarterly basis.

The overarching goal of our approach is to avoid investing in companies in which material ESG issues threaten the long-term sustainability of the company or create significant uncertainty in the value of the investment.

Governance

Beyond our consideration of material ESG issues, we expect all the companies in which we invest to follow sound corporate governance processes. We believe the following four governance issues are critical to long-term investment returns :

1. Investor Rights, including ownership structure and voting policies
2. Board Quality
3. Executive, Director, and Employee Compensation and Incentives
4. Corporate Reporting

We seek to understand key governance issues before making an investment, monitor them for any significant changes while we are owners, and exercise our rights as engaged, active owners.

Active Ownership

Kingwest aims to be active owners of the companies in our portfolios. While ESG issues are considered prior to making an investment, we recognize that improvement in certain ESG factors may strengthen a company that we already own, often increasing its value. When material opportunities are identified, Kingwest's investment team will engage the board and/or management team through direct meetings or written correspondence. The results of these interactions are considered by the investment team as part of the investment monitoring process and influence decisions regarding ongoing ownership.

In addition to direct engagements, Kingwest systematically exercises its voting rights. We have a Proxy Voting Policy which is reviewed annually by all employees. This policy sets out our proxy voting guidelines so that our clients understand in advance how we are likely to vote on their behalf as shareholders.

As a fiduciary, if we choose to vote in any proxy, we are obliged to exercise voting rights in the best interest of our clients and our clients' beneficiaries. Our voting policy is always based on our view of maximizing shareholder value. Our investment process seeks to invest for the most part in companies in which the goals of the executive management properly align with those of the shareholders. As such, we expect that most of our proxy votes cast will be in favour of management proposals. However, we review each proxy proposal on a case-by-case basis to ensure that the proposals do not erode any accountability, transparency or shareholder value in the company. We vote against any proposals contrary to these principles. If any material conflicts of interest arise, Kingwest will withhold its' proxy vote.

We have a list available to our clients as to how we have voted our proxies on specific companies, issues and accounts.

Reporting

Kingwest will report annually with respect to its compliance to this policy in accordance with the PRI provisions. Our first reports will be publically available on the PRI website, www.unpri.org, in the fall of 2019.