Responsible Investment Policy

Hotchkis & Wiley

I. Our Mandate

Hotchkis & Wiley's overarching goal is to deliver long-term performance that meets or exceeds our clients' expectations and objectives, without assuming undue risk. Corporate behavior can meaningfully influence the risk/return profile of a business and impact its long-term sustainability. Consequently, we believe that evaluating whether a company acts in a responsible manner will impact long-term risk-adjusted performance and we are committed to incorporating such analysis into our investment process consistent with our fiduciary obligations.

II. Our Philosophy

The firm's responsible investment philosophy is dictated by the following core principles:

- The principal goal of the firm is to deliver exceptional long-term risk-adjusted performance for our clients.
- Environmental, social, and governance ("ESG") factors should be considered when analyzing an existing or prospective investment to the extent such factors influence its risk and/or return profile.
- Specific ESG factors vary greatly by geography, industry, and even company to company, which should be thoughtfully factored into our research approach.
- As signatories of the Principles for Responsible Investment ("PRI"), we are committed to abiding by and supporting the organization's core principles.

III. Our Approach

We segment our approach into four categories to better define our objectives and expectations. These categories are not independent of one another and are integrated throughout our investment process.

a. General research
Responsible corporate behavior can influence the sustainability of a business and should therefore be incorporated into the normal course of our bottom-up research process. This does not mean that we are precluded from investing in certain industries/companies but that we should consider each company's behavior as it relates to ESG issues. If we determine that the company's approach to ESG impacts the company's economics and/or sustainability, our investment decisions will be influenced accordingly. In addition to factoring ESG criteria into our bottom-up fundamental research effort, we will run various ESG models/screens periodically to support the analysts' work. The models/screens are designed to highlight potential factors that may warrant further attention from the analyst.

b. Engagement
If we determine that the risk/return profile and/or sustainability of the business could be enriched through improved corporate behavior, we will engage the company to the extent appropriate and through proper means. We expect the majority of such engagements will involve private discussions with management but we are not opposed to public and/or collaborate efforts if circumstances warrant such a response. If we remain unsatisfied about the prospects for improved corporate behavior, our investment decision will be influenced accordingly.

c. Proxy voting
We are committed to voting proxies that are in our clients' best interests, consistent with our proxy voting guidelines and on a case by case basis. If we determine that ESG related items, whether proposed by management or by shareholders, influence the economics and/or sustainability of the business we will vote accordingly.

d. Responsibilities
The firm's portfolio managers and analysts are accountable for making investment decisions and constructing portfolios. Accordingly, the investment team will implement our responsible investment policy. A designated member of the investment team is responsible for regularly updating the team on ESG factors/scores to ensure all team members are well equipped to consider ESG factors in their analysis. Further, the company's Chief Operating Officer ("COO") will provide oversight by reviewing the overall process on an ongoing basis.