

SOUND SHORE MANAGEMENT, INC.

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Environmental, Social and Governance (ESG) Investment Policy Statement

Sound Shore Management's history is firmly rooted in the conviction that as active, long-term shareholders we are fully aligned with our clients' interests. Our disciplined, fundamental value strategy utilizes a long-term outlook designed to own investments for years. This includes understanding the durability of a business model as it performs through economic and industrial changes. As a result, we seek companies that commit to investing in the future – in their people, technology and competitive returns on capital.

Sound Shore's company-specific due diligence includes:

- Thorough financial statement analysis
- Discussions with suppliers, customers, competitors, and industry consultants
- Direct communication with senior management
- Establishing a risk/reward-based price target using our own financial model

We engage with management teams frequently on a variety of issues, encouraging them to balance short-term forecasts and quarterly guidance with a focus, as well, on enduring goals that will sustainably improve their competitive advantage over time. While Sound Shore does not pursue environmental, social and governance (ESG) as the fund's principal investment strategy, our value investment process considers many of the factors important to focused ESG investors. We seek to identify and examine issues that affect value, including material ESG issues and other matters.

As active owners of companies for over four decades, our experience has been there is no substitute for the judgment of a strong management team focused on the right variables to grow value and control risk. Accordingly, we view engaged governance — our most direct access to management — as a keystone to successful investment outcomes. This is why Sound Shore's research team typically conducts more than 500 senior management meetings per year, and has always voted its own proxies (excluding client conflicts).

Governance is critical as it defines the corporate culture and incentives that drive behavior. Importantly, it also enforces a vital component of successful value assessment: accountability. Governance is a crucial part of ESG practice and has always been an essential component of our value investment process. Most successful companies have active Boards that are structured to provide effective oversight and leadership that hold management teams accountable. We have an extensive history of engaging with management and directors on proxy issues including Board structure, compensation, capital allocation and sustainable best practices.

We believe in the adage from US Supreme Court Justice Brandeis that “sunlight is the best disinfectant,” and that is one reason we have been signatories to the UN Principles for Responsible Investing (UN PRI) since 2016. Among the UN PRI’s many goals is an increase in corporate disclosure that Sound Shore has embraced since our 1978 inception. The concept is just beginning to become widely adopted and we concur that measurement and accountability are positive steps towards well informed investing.

Company-specific improvement has always been at the core of Sound Shore’s value investing strategy. We frequently invest successfully in companies following periods of underperformance, whether due to adverse business cycles, poor execution, governance or other social or environmental issues that cause a degradation of value. These situations often include new leadership. At Sound Shore, we look for change. It’s in that spirit that we also identify and examine ESG issues. We seek companies that have committed to building value through sustainably better financial results.

Sound Shore’s fundamental investment process includes analyzing environmental, social and governance economic factors for our portfolio companies. It is our job to identify what factors are important, and separate the signal from the noise. Ultimately, we have the advantage of leveraging our four decades of experience and judgement to determine the potential risks and opportunities for each of our investments.

Accordingly, we have committed to the following in order to further enhance ESG integration:

- Sound Shore ESG Committee - Includes investment team members and senior management. Meets regularly and is tasked with:
 - 1) Monitoring relevant data at the company and portfolio level
 - 2) Conducting ESG-focused company meetings/calls, emphasizing material matters
 - 3) Reporting findings to Sound Shore’s Investment Committee
- Focus on governance - It is our belief that thoughtfully managed companies often improve investment performance as well as environmental and societal outcomes.
- Active proxy voting - It is Sound Shore’s policy to vote all proxies in the best economic interest of its clients. All proxy issues are reviewed by the ESG Committee Chairman, and the Chief Compliance Officer before voting.
- Utilizing third party ESG analysis - In order to broaden our in-house due diligence, tools and data, we utilize external ESG sources such as Bloomberg, Eikon, MSCI, RobecoSAM, Sustainalytics, ISS, SASB, TCFD and CDP.
- Supporting the UN PRI – As signatories (since 2016) we will promote transparency, disclosure, measurement, accountability and improvement.

