Shikhara Investment Management LP
Shikhara Capital (Hong Kong) Private Ltd

Responsible Investment Policy

August 2026

Contents

1. Our Philosophy

At Shikhara Investment Management ("Shikhara"), we believe companies demonstrating strong governance and effective management of environmental and social risks can generate superior growth opportunities and better navigate market challenges.

As fiduciaries, we have a duty to act in the best interests of our clients and exercise prudent due diligence in all investment decisions. This responsibility extends beyond traditional financial analysis to encompass the evaluation of environmental, social, and governance (ESG) factors.

As active investors, we directly engage with companies to encourage practices that enhance accountability, strengthen risk management, and align decision-making with the interests of shareholders, employees, customers, and the communities they serve.

Central to our approach is the identification of "ESG improvers" – companies that may not currently lead their sectors in ESG performance but demonstrate commitment and capacity for improvement. This philosophy recognizes that sustainable transformation is a journey, and that active engagement can drive positive changes while creating alpha generation opportunities.

2. ESG Integration

Shikhara employs a comprehensive ESG integration methodology that embeds environmental, social, and governance considerations throughout our investment process. Our approach is anchored by the proprietary Shikhara ESG Scorecard (the "ESG Scorecard"), specifically developed to evaluate companies within our investment universe, considering their unique sectoral and regional contexts. Recognizing that third-party ESG scores may not encompass all stocks in our funds, especially those invested in young, growth-oriented companies in emerging markets, Shikhara relies primarily on its proprietary ESG scoring system to maintain consistency and comprehensive coverage.

Shikhara ESG Scorecard Methodology

Shikhara's ESG Scorecard evaluates companies across 12 ESG topics under three pillars: Environmental, Social, and Governance. See Appendix 1 for a detailed description of the topics assessed.

Pillars	Topics
Environmental	Emissions Resource & Waste Management Climate Change Biodiversity Supply Chain Management (Environmental)
Social	Human Capital Management Health & Safety Data Security & Privacy Product Liability & Responsible Marketing Supply Chain Management (Social)

Governance	Corporate Governance Business Ethics

Our assessment combines quantitative data-driven scoring with qualitative analysis from investment analysts who understand each company's business plans and industry context. Companies receive an overall ESG score by aggregating their performance across all 12 topics, with each topic rated from 1 (poor performance) to 5 (excellent performance).

Investment Team analysts are responsible for completing the ESG Scorecard for all stocks in their Conviction List and holdings in Shikhara's SFDR Article 8 funds. ESG scores are updated annually, with additional updates to be completed within 3 months if material ESG controversies or events occur.

The ESG Specialist reviews and updates the scoring methodology and material topics annually to reflect evolving market trends and industry developments. Examples of ESG Scorecards can be provided upon request.

ESG Risk Management

Our Risk Team independently audits analyst ESG scores by comparing them against third-party ESG ratings. The Risk Team regularly reviews for material discrepancies between internal and external scores, requiring analysts to provide supplementary explanations for any significant divergences. This process helps balance internal analyst insights with third-party assessments to mitigate individual bias.

At the portfolio level, the Risk Team monitors monthly ESG performance using external third-party ratings weighted by portfolio holdings, comparing results against relevant benchmarks.

<u>ESG Escalation Process</u>

We aim to reduce portfolio exposure to companies with poor ESG performance over time. Companies meeting the following criteria are flagged for Investment Committee discussion at risk meetings:

- Low ESG scores (internal rating of 2 or below, or bottom quartile from third-party ratings)
- Violations of Global Norms, including UN Global Compact principles, UN Guiding Principles for Business and Human Rights, or ILO fundamental principles

Portfolio Managers and analysts must document remedial plans and engagement outcomes with flagged companies on a bi-annual basis.

If Global Norms violations persist after one year and up to three engagement attempts prove unsuccessful, we will vote against director reappointments at the company's AGM. Should the situation remain unchanged one year following this action, the Investment Committee will consider implementing buy restrictions on the company.

SFDR Article 8 Funds

Shikhara's SFDR Article 8 funds adopt a best-in-class methodology to ensure portfolio companies exhibit good environmental and/or social characteristics. Using the Shikhara ESG Scorecard, portfolio companies must have an environmental and/or social score greater than 2.5. Additionally, companies must also have good corporate governance practices, requiring a governance score greater than 2.5. This ESG criteria is binding for a minimum of 70% of the net assets of each SFDR Article 8 fund.

ESG Scorecards should be completed for 90% of each SFDR Article 8 fund portfolio (with 70% as the minimum threshold). For newly listed companies or recent portfolio additions without completed scorecards, assessment must be finalized within three months.

ESG Restrictive List

For our SFDR Article 8 Funds, Shikhara refrains from investing in companies that have significant exposure (based on revenue thresholds) to activities we deem controversial and of negative impact on the environment and society. In general, we exclude investments in companies that have significant exposure (based on revenue thresholds) to controversial weapons, adult entertainment, tobacco, fossil fuels, and thermal coal. Companies in these industries are monitored on the ESG Restrictive List, which is reviewed during monthly risk meetings and meetings with the Investment Committee. The ESG Specialist and the Risk Team will provide the Trading Team with a list of stocks that fall under the ESG Restrictive List at least annually for pre-trade monitoring.

We utilize MSCI ESG data for screening business activities against these criteria. A stock that is flagged during MSCI ESG screening may still be added to the portfolio following submission by portfolio manager or the analyst of a rationale as to why the MSCI ESG data may be contested. These stocks will be flagged in the fund's monthly risk report and will be discussed at the quarterly Investment Committee meetings. Where any potential concerns are substantiated, we will engage with the company and expect them to take remedial action within a reasonable timeframe. If the concerns remain after such period, then we will take necessary action which may include restrictions on further purchase of the stock or divesting the stock from the funds.

For segregated mandates, ESG restrictions are applied as instructed by clients.

ESG Breaches

Temporary breaches of ESG requirements will be treated in the same way as the company's current compliance procedure for passive breach violations. The Portfolio Manager should rectify the position for their managed portfolios within 15 business days.

3. Active Ownership

Our Stewardship Code sets out the approach taken by Shikhara in defining the Principles of Responsible Ownership as indicated by the Securities and Futures Commission Hong Kong (SFC) and aligning with the best practices promoted by the U.S. Securities and Exchange Commission (SEC). Our 7 Stewardship Principles oversees our stewardship responsibilities to enhance investor engagement and transparency in consideration of clients' best interests.

Proxy Voting

Voting rights are a shareholder's fundamental right, and Shikhara recognizes that such rights are imperative to improving an investee company's corporate governance. We strive to maximize the long-term investment value for our clients while upholding our responsibility as active stewards.

We actively vote on shareholdings we are responsible for across all markets. Our Investment Committee works with investment analysts and takes note of proxy voting recommendations from proxy voting advisory firms. Where applicable, Shikhara will consult recommendations from third-party proxy voting advisory firms. The proxy voting guideline we reference is the ISS Sustainability Voting Guidelines: https://www.issgovernance.com/file/policy/active/specialty/Sustainability-International-Voting-Guidelines.pdf

Corporate Engagement

As active owners, our investment team members engage with companies regularly through various channels, including one-on-one meetings, group meetings, email correspondence, and site visits. These interactions allow us to gain a comprehensive understanding of the companies beyond what is available through sell-side research alone.

The Shikhara ESG Scorecard serves as an evaluation tool that provides a detailed overview of a company's strengths and highlights critical issues. We particularly target engaging companies that we view as risky (based on our ESG assessment) with the objective of discussing ways to improve their ESG scores. We endeavor to establish engagement priorities on an annual basis to focus our engagement efforts.

For more information on our stewardship activities, please refer to our Stewardship Code and Voting & Engagement Policy.

4. ESG Reporting

Shikhara is committed to transparent ESG reporting and maintaining open communication with clients regarding our ESG integration and stewardship activities.

We provide timely responses to client ESG inquiries and can furnish reports on proxy voting activities upon request. Regular ESG performance data will be available for all funds, including ESG scoring distributions and portfolio-level ESG metrics compared to relevant benchmarks.

Appendix 1 – Shikhara ESG Scorecard

This table outlines the assessment scope of ESG topics included in our ESG analysis of companies.

Pillar	Topic	Description
Environmental	Emissions	**Carbon / GHG emissions:** Evaluation of disclosed Scope 1 and Scope 2 emissions data, and Scope 3 where available or estimated. **Emissions reduction:** Existence of Paris-aligned or SBTi targets and demonstrated progress. **Energy management:** Assessment of reported energy use, investments in renewables, and implementation of emissions reduction programs.
	Resource & Waste Management	**Water management:** Water consumption and wastewater generation/treatment from the company's operations and their efforts to manage water usage. **Waste management:** Hazardous and non-hazardous waste generated by the company and their efforts to treat, store, dispose, reduce, and recycle responsibly. Also includes toxic emissions generated due to waste. **Materials use:** Raw materials used in the company's product manufacturing and their efforts to manage supply and reduce life-cycle environmental impacts.
	Climate Change	**Climate change mitigation and adaptation:** Exposure of the company's assets and operations to climate change (physical risks e.g. droughts and rising sea level, and transition risks e.g. carbon pricing and carbon regulations) and their efforts to mitigate and adapt their business model.
	Biodiversity	**Land use / ecological impacts:** The impact of the company's operations on ecosystems and biodiversity and their efforts to mitigate / preserve natural habitats.
	Supply Chain Management (Environmental)	**Supply chain environmental standards:** The company's management of their supply chains to enhance transparency and quality of environmental standards of suppliers
Social	Human Capital Management	**Talent attraction and retention:** The company's ability to attract, retain, and upskill its workforce **Labor practices:** The company's ability to uphold commonly accepted labor standards **Workplace diversity:** The company's approach to providing equal opportunities in its hiring process and to prohibiting discrimination in the workplace
	Health & Safety	**Occupational health and safety:** The company's ability to maintain a safe and healthy workplace, free of work-related injuries, fatalities, and illness
	Data Security & Privacy	**Data privacy and cybersecurity:** The company's approach to managing cybersecurity risks and collecting, retaining, and use of sensitive, confidential information.

	Product Liability & Responsible Marketing	**Product quality and safety:** The company's quality management of products sold and exposure to recalls and product safety concerns. **Product labelling and selling practices:** The company's approach to conducting transparent, accurate, and comprehensive product labelling and marketing statements.
	Supply Chain Management (Social)	**Supply chain social standards:** The company's management of their supply chains to enhance transparency and quality of social standards of suppliers
Governance	Corporate Governance	**Shareholding and ownership structure:** The company's ownership structure and track record of controlling shareholders' execution and alignment of interests with minority shareholders **Board composition:** The effectiveness of the Board in overseeing management and protector investor value, as well as composition of the Board taking into account sufficient industry experience, independent, diversity and tenure. **Remuneration:** The alignment of management pay with corporate strategy and shareholder interests **Accounting and audit:** The transparency, independence, timeliness of the company's audit and financial reporting practices
	Business Ethics	**Transparency:** The transparency of the company's tax practices and ESG disclosures **Government reliance:** The company's political relationships with the government, participation in policy lobbying and extent of policy influence **Business integrity:** The company's oversight and management of business ethics issues e.g. fraud, executive misconduct, anti-bribery, anti-money laundering, anti-trust

Appendix 2 – ESG Exclusions

This table provides details of our ESG exclusion categories based on revenue exposure to certain business activities.

Business Activity	Revenue Threshold for Exclusion	Description
Controversial Weapons	0%	Companies that have any involvement in the production of whole weapon systems, delivery platforms or components of cluster munitions, whole weapon systems or components of landmines and biological or chemical weapons, nuclear weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, or weapons with non-detectable fragments, or are involved indirectly through ownership ties to companies involved in such products.
Adult Entertainment	10%	Companies that are involved in the production, distribution or retailing of adult entertainment products. Adult entertainment products are defined as material in which the dominant theme is “sexually explicit” conduct, specifically the depiction or description of sexual or excretory activities in a lascivious way.
Tobacco	0%	Companies that derive revenue from the production and distribution of tobacco products.
Fossil Fuels Mining / Extraction - Thermal Coal	25%	Companies involved in the exploration, mining, extraction, transportation, distribution or refining of thermal coal
Fossil Fuels Mining / Extraction - Unconventional Oil & Gas	10%	Companies involved in the exploration or extraction of unconventional oil and gas, including oil sands, oil shale, shale gas, shale oil, coal seam gas, coal bed methane, and Arctic drilling.
Power generation from thermal coal and unconventional oil & gas	25%	Companies involved in fossil fuel-based power generation (specifically thermal coal and unconventional oil/gas)
UN Global Compact (UNGC) violations	Considered	1. UN Global Compact principles 2. UN Guiding Principles for Business & Human Rights 3. International Labor Organization’s fundamental principles