

Engagement Policy Statement

Principal Global Equities (PGE) began managing Socially Responsible Investing (SRI) in the early 1990's with the specific creation of exclusionary strategies and the implementation of our current research process. Principal Global Investors (PGI) has been a signatory to Principles for Responsible Investment ("PRI") since 2010, highlighting the firm's dedication to Environmental Social and Governance ("ESG") issues. PRI works to provide a sustainable global financial system by encouraging adoption of six principles and collaboration on their implementation, fostering good governance, integrity, and accountability, and addressing obstacles to a sustainable financial system within market practices, structures, and regulation.

Over the years, our processes have grown to include engagement with companies on ESG issues and we believe that direct communication between investors and companies on ESG matters (Engagement) is an important element of the portfolio management services provided to our clients. Engagement may lead us to make decisions that favor actions that intend to maximize a company's shareholder value and contribute to our overall research on a company and developing a holistic view of the company. We take seriously our commitment to our community and society. We believe that we must take responsibility for educating others and ourselves by addressing a range of ESG issues that are critical to the wellbeing of our community and society and may maximize shareholder value.

As a result, we commit to:

- ▶ **Engage and collaborate** with the companies we invest in using our shareholder advantage to encourage responsible ESG practices by the company when aligned with of our investment thesis of the company.
- ▶ **Encourage greater transparency** by the companies on their ESG practices.
- ▶ **Encourage companies** to manage risks related to ESG factors and react swiftly to achieve a competitive advantage relative to peers regarding remuneration, boards/directors, audit issues, regulations, litigations, and other market factors that could impact a company.
- ▶ **Encourage companies** to disclose through public reporting relevant ESG metrics and how it may fit into the company's overall business activities considering such importance will vary significantly depending upon industry and geography.
- ▶ **Seek out ESG research** that will further our overall knowledge on a company.
- ▶ **Keep records or notes** on relevant engagement activities.

We have implemented this policy with the premise that portfolio management personnel base their determinations of whether to invest in a particular company on a variety of factors, which may include ESG factors, however this will not supersede the primary considerations of risk and return, consistent with our fiduciary obligations. As such, this policy is designed to guide Engagement - not necessarily make investment decisions.

Disclosures

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