



PUBLIC TRANSPARENCY REPORT

2025

Magellan Asset Management

Generated 24-11-2025

About this report

PRI reporting is the largest global reporting project on responsible investment.

It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders. This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2025 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Magellan Financial Group ("MFG" or "the Group") is committed to responsible investment across our internally managed funds, being Magellan Global Equities, Magellan Listed Infrastructure and Airlie Australian equities. Our philosophy is to focus on financial materiality of environmental, social and governance (ESG) factors over the long term, considering both risks and opportunities that may influence cash flows and valuations of our investments within our investment time horizon.

Our policies, which are available on the Group's website, outline and summarise our approach to responsible investing, ESG integration, engagement and proxy voting. We also publish reporting on company engagement and voting outcomes for the year in our annual Stewardship Report, including case studies where we have seen positive outcomes. In addition, we are focussed on investor education with sustainability-themed 'Magellan In The Know' podcasts and 'Magellan Minutes'.

Our long-term investment horizon gives us the opportunity to engage with companies over an extended period on issues that are important to protecting and creating shareholder value. Our investment teams aim to engage with portfolio companies on a broad range of themes identified by our investment teams that analysts assess as material to those companies within our proprietary ESG risk and opportunities assessment framework.

Our company engagement program has two primary objectives, both of which are designed to have a positive impact on shareholder returns over time:

1. Risk assessment, management and opportunities: Better understand the risks and opportunities over time. As long-term investors, we build up knowledge and insight, which we discuss and challenge during engagements. These learnings often deepen our understanding within and across industries.
2. Influence: Encouraging and supporting change to a company's approach to ESG factors considered material to the strategy of the business.

MFG is a signatory to a number of industry initiatives and associations that support our commitment to responsible investment, transparency to stakeholders and ability to elevate key company and industry issues. We have been a member of the Principles for Responsible Investment ("PRI") since 2012 and Responsible Investment Association Australasia ("RIAA") since 2017. In 2022 MFG extended its commitment to managing climate risk and became members of the Investor Group on Climate Change ("IGCC") and the Net Zero Asset Manager initiative ("NZAMI").

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

MFG is committed to responsible investment across our internally managed funds, which includes the Magellan Global Equities, Magellan Global Listed Infrastructure and Airlie Australian equities strategies, and supporting asset owner clients in the implementation of their own sustainable investment objectives. Our philosophy is to focus on financial materiality of environmental, social and governance (ESG) factors over the long term, considering both risks and opportunities that may influence cash flows and valuations of our investments within our investment time horizon. Our approach is guided by our suite of ESG policies which are available on our website.

We believe that successful investing is about identifying quality companies and investing for the long term. As long-term owners we look for unique attributes in our companies that enable them to protect and grow earnings into the future. This includes material ESG factors that may impact the sustainability of future cash flows. As a result, we integrate ESG factors into our investment process, exercise our proxy voting rights and engage with portfolio companies on a broad range of issues to manage risk for our investors and identify opportunities. Given the concentrated nature of our funds, and an integrated ESG team within the investment team, we undertake deep analysis and prioritise engagement with companies on ESG factors that we identify as material to future cash flows. In addition, our Magellan Global Equities and Magellan Global Listed Infrastructure strategies ("Magellan branded funds") continue to implement their ESG scoring framework and stewardship strategy.

MFG continue to invest in our ESG capability through resourcing, training and technology. We have dedicated ESG resources in our internally managed funds which allows for continued enhancement in our processes and integration across the investment team.

Key achievements / progress undertaken in the last year: In the last year we have continued to progress initiatives that advance responsible investment for MFG, our clients, and the broader industry. A selection of highlights for the year include:

- In our Magellan-branded funds, we have enhanced our voting principles, prioritising board governance and remuneration, climate change, human rights, diversity and inclusion. We have prioritised these principles because we believe they align with best practices and have the potential to enhance long-term shareholder value creation. We recognise the varying expectations of stakeholders globally, particularly in the current environment. Despite potential short-term challenges, we remain committed to our long-term focus and view these principles as integral to supporting our clients. Stewardship is integral to our investment process and includes direct company engagement and proxy voting. An example of our proactive research-based engagement in the last year has been the communication of the updated Voting principles relating to the Magellan-branded funds. We communicated these with many of our investee companies ahead of their AGMs. This allows us to encourage best practice, seek clarity on challenges or further disclosure where alignment is not clear. By engaging early, we aim to encourage positive change and transparency, ensuring that our portfolio remains aligned with our updated principles.
- We continue to embed our climate risk assessment across our Magellan-branded and Airlie-branded funds, using the analysis to assess company resilience and mitigation to transition risks including ambition of company targets and credibility of strategies to achieve them.
- We have published our second MFG Climate Report aligned to the pillars of governance, strategy, risk management, metrics & targets.
- We continue to broaden our research on topics such as climate, human rights and nature through our involvement in industry working groups and conferences through Responsible Investment Association Australasia (RIAA) and Investor Group on Climate change (IGCC). For example, we collaborated on the more complex human rights impacts such as child rights and protecting against discrimination in collaboration with the Responsible Investment Association of Australasia (RIAA) Investor Toolkit on Human Rights and AI.
- The ESG team continue to share insights and provide training to the broader investment team on themes such as climate change, modern slavery, executive remuneration, and emerging themes, to ensure consistency of analysis and continued enhancement. The investment team engage with industry experts to understand best practice and specific ESG risks across relevant industry sectors.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Key focus areas across the organisation include:

1. Stewardship: Enhance engagement objectives and tracking of progress / outcomes aligned to key ESG issues where they are deemed material to cashflows or shareholder value.
2. ESG integration: Continue to enhance and review our ESG risk assessment incorporating emerging industry trends on material ESG risks and opportunities.
3. Climate Risk: We continue to implement our engagement strategy and voting policies with a particular focus on ensuring the resilience of portfolio companies to a low-carbon economy and identifying opportunities.
4. Modern Slavery: Continue to deepen assessment of labour rights and modern slavery risks through screening of higher risk factors.
5. ESG data – Invest where appropriate in technology solutions or work with ESG data providers to increase coverage of ESG data, improve efficiency and accuracy.
6. Training – Provide internal and external training on key ESG themes for the investment team and broader organisation where relevant.
7. Education – Increase client communication and education on key ESG themes relevant to the portfolio.

MFG will continue to contribute to and be part of industry initiatives such as PRI, RIAA, IGCC to advance our commitment to responsible investment. By contributing to and participating in these groups, our company and industry research is enhanced and our clients benefit from broader stakeholder perspectives. Examples include sub-working groups such as RIAA Human rights working group, RIAA nature working group, IGCC working groups and the World Benchmarking Alliance (WBA) through the Collective Impact Coalition (CIC) for Ethical Artificial Intelligence (AI).

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Sophia Rahmani

Position

Chief Executive Officer

Organisation's Name

Magellan Asset Management

A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

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OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- (B) Directive on AIFM (2011/61/EU) [European Union]
- (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- (D) EU Taxonomy Regulation [European Union]
- (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- (F) IORP II (Directive 2016/2341) [European Union]
- (G) Law on Energy and Climate (Article 29) [France]
- (H) MiFID II (2017/565) [European Union]
- (I) Modern Slavery Act [United Kingdom]
- (J) PEPP Regulation (2019/1238) [European Union]
- (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- (M) SFDR Regulation (2019/2088) [European Union]
- (N) SRD II (Directive 2017/828) [European Union]
- (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- (P) Climate Risk Management (Guideline B-15) [Canada]
- (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- (U) SEC Expansion of the Names Rule [United States of America]
- (V) SEC Pay Ratio Disclosure Rule [United States of America]
- (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- (AA) Financial Markets Conduct Act [New Zealand]
- (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- (AE) Modern Slavery Act (2018) [Australia]

- (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- (AH) JSE Limited Listings Requirements [South Africa]
- (AI) Other
- (AJ) Other
- (AK) Other
- (AL) Other
- (AM) Other
- (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

- (A) Asset Owners Stewardship Code [Australia]
- (B) Código Brasileiro de Stewardship [Brazil]
- (C) New Zealand Stewardship Code
- (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- (E) Stewardship Code [United Kingdom]
- (F) Stewardship Framework for Institutional Investors [United States of America]
- (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- (I) Luxflag ESG Label [Luxembourg]
- (J) RIAA Responsible Investment Certification Program [Australia]
- (K) SRI Label [France]
- (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- (M) Code for Institutional Investors 2022 [Malaysia]
- (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- (O) Corporate Governance Guidelines [Canada]
- (P) Defined Contribution Code of Practice [United Kingdom]
- (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- (T) OECD Guidelines for MNES - Responsible Business Conduct for Institutional Investors [Global]
- (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- (V) **Net Zero Asset Managers (NZAM) Initiative [Global]**
- (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- (X) **Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]**
- (Y) **The Net Zero Investment Framework (NZIF) 2.0 [Global]**
- (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- (AA) Global Reporting Initiative (GRI) Standards [Global]
- (AB) IFC Performance Standard [Global]
- (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- (AE) Other
- (AF) Other
- (AG) Other
- (AH) Other
- (AI) Other
- (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	30	06	2025

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- (A) Yes
- (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 24,000,000,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

Additional context to your response(s): (Voluntary)

AUD/USD exchange rate: 0.65535

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	95.71%	4.29%
(B) Fixed income	0%	0%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	0%
(J) Off-balance sheet	0%	0%

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

(1) Listed equity

(A) Active 100%

(B)
Passive 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

(1) Segregated mandate(s)

(2) Pooled fund(s) or pooled investment(s)

(A) Listed equity - active

57%

43%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity 0%

(B) Active – quantitative 0%

(C) Active – fundamental 100%

(D) Other strategies 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation’s externally managed assets are managed by PRI signatories?

100%

Additional context to your response(s): (Voluntary)

In August 2024 Magellan Financial Group entered into a partnership with Vinva Investment Management and subsequently launched three systematic equity funds and transitioned a fourth. MFG is now the Responsible Entity of four Vinva systematic equity funds, all of which are managed solely by Vinva Investment Management. Vinva has been a PRI signatory since 2021.

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity (2) >0 to 10%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

(1) Listed equity - active

- (A) Yes, through internal staff
- (B) Yes, through service providers
- (C) Yes, through external managers
- (D) We do not conduct stewardship

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

(1) Listed equity - active

- (A) Yes, through internal staff
- (B) Yes, through service providers
- (C) Yes, through external managers
- (D) We do not conduct (proxy) voting

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active

(10) >80 to 90%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(C) Listed equity - active - fundamental

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

(1) Yes, we incorporate ESG factors when selecting external investment managers

(2) No, we do not incorporate ESG factors when selecting external investment managers

(A) Listed equity - active

Additional context to your response(s): (Voluntary)

MFG offers four investment products that are managed by Vinva Investment Management (Vinva). MFG has a 29% economic interest in Vinva and, as part of the strategic partnership, is the responsible entity for these four funds. Vinva's appointment as the sole external manager for these funds is a direct result of the strategic partnership rather than an active selection and appointment process. For this reason, ESG considerations did not form part of the selection, appointment, or monitoring of Vinva as an external investment manager. Notwithstanding the above, Vinva places a high focus on ESG incorporation in its funds. Vinva is a signatory to PRI in its own right, and has been pro-actively conducting investment research on ESG and Workplace factors since 2007 and has been a leader in incorporating these ideas in their systematic portfolios since that time.

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

(1) Yes, we incorporate ESG factors when appointing external investment managers

(2) No, we do not incorporate ESG factors when appointing external investment managers

(A) Listed equity - active

Additional context to your response(s): (Voluntary)

MFG offers four investment products that are managed by Vinva Investment Management (Vinva). MFG has a 29% economic interest in Vinva and, as part of the strategic partnership, is the responsible entity for these four funds. Vinva's appointment as the sole external manager for these funds is a direct result of the strategic partnership rather than an active selection and appointment process. For this reason, ESG considerations did not form part of the selection, appointment, or monitoring of Vinva as an external investment manager. Notwithstanding the above, Vinva places a high focus on ESG incorporation in its funds. Vinva is a signatory to PRI in its own right, and has been pro-actively conducting investment research on ESG and Workplace factors since 2007 and has been a leader in incorporating these ideas in their systematic portfolios since that time.

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

(1) Yes, we incorporate ESG factors when monitoring external investment managers

(2) No, we do not incorporate ESG factors when monitoring external investment managers

(A) Listed equity - active

Additional context to your response(s): (Voluntary)

MFG offers four investment products that are managed by Vinva Investment Management (Vinva). MFG has a 29% economic interest in Vinva and, as part of the strategic partnership, is the responsible entity for these four funds. Vinva's appointment as the sole external manager for these funds is a direct result of the strategic partnership rather than an active selection and appointment process. For this reason, ESG considerations did not form part of the selection, appointment, or monitoring of Vinva as an external investment manager. Notwithstanding the above, Vinva places a high focus on ESG incorporation in its funds. Vinva is a signatory to PRI in its own right, and has been pro-actively conducting investment research on ESG and Workplace factors since 2007 and has been a leader in incorporating these ideas in their systematic portfolios since that time.

ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

Describe why your organisation does not currently incorporate ESG factors into your investment decisions and/or in the selection, appointment and/or monitoring of external investment managers.

Externally managed
(P) Listed equity – active

MFG offers four investment products that are managed by Vinva Investment Management (Vinva). MFG has a 29% economic interest in Vinva and, as part of the strategic partnership, is the responsible entity for these four funds.

Vinva's appointment as the sole external manager for these funds is a direct result of the strategic partnership rather than an active selection and appointment process. For this reason, ESG considerations did not form part of the selection, appointment, or monitoring of Vinva as an external investment manager.

Notwithstanding the above, Vinva places a high focus on ESG incorporation in its funds. Vinva is a signatory to PRI in its own right, and has been pro-actively conducting investment research on ESG and Workplace factors since 2007 and has been a leader in incorporating these ideas in their systematic portfolios since that time.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	100%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	100%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

5%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Additional context to your response(s): (Voluntary)

The MFG Global Sustainable fund is labelled as a sustainable fund and includes ESG factors in its investment strategy. The fund represents less than 1% of Magellan Asset Management's AUM.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
 - (B) Specific guidelines on human rights (may be part of guidelines on social factors)
 - (C) Specific guidelines on other systematic sustainability issues
- Specify:
- Corporate Governance principles include specific guidelines on Shareholder rights including dual class structure, Audit related. Lobbying and Just transition is included in the Climate Stewardship strategy.
<https://www.magellangroup.com.au/general/docs/responsible-investing/climate-stewardship-strategy/>
- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

(A) Overall approach to responsible investment

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(B) Guidelines on environmental factors

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(C) Guidelines on social factors

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(D) Guidelines on governance factors

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/climate-stewardship-strategy/>

(G) Specific guidelines on human rights (may be part of guidelines on social factors)

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(H) Specific guidelines on other systematic sustainability issues

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(I) Guidelines tailored to the specific asset class(es) we hold

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(J) Guidelines on exclusions

(K) Guidelines on managing conflicts of interest related to responsible investment

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/proxy-voting-policy/>

(L) Stewardship: Guidelines on engagement with investees

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/esg-policy/>

(M) Stewardship: Guidelines on overall political engagement

(O) Stewardship: Guidelines on (proxy) voting

Add link:

<https://www.magellangroup.com.au/general/docs/responsible-investing/proxy-voting-policy/>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Additional context to your response(s): (Voluntary)

In addition to our Proxy Voting Policy, we publish the specific voting principles, prioritising board governance and remuneration, climate change, human rights, diversity and inclusion. <https://www.magellangroup.com.au/general/docs/responsible-investing/voting-principles/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

- (A) Yes

Elaborate:

Our ESG Policy, proxy voting policy and voting principles outline our approach to responsible investing. This includes outlining our fiduciary duties and client objectives. As noted in our ESG Policy, ESG issues are an integral component of the investment analysis process, as gaining a robust understanding of these issues is a key part of assessing the outlook for future cash flow generation and risks of an investment. These principles and key objectives for clients are part of the overall ESG integration and Stewardship approach, focusing on the material ESG risks and opportunities and the potential impact on future cashflows.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation’s policy(ies) or guidelines on stewardship?

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Additional context to your response(s): (Voluntary)

<https://www.magellangroup.com.au/general/docs/responsible-investing/voting-principles/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment						
(B) Guidelines on environmental factors					(7) 100%	
(C) Guidelines on social factors						
(D) Guidelines on governance factors						

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change					(1) for all of our AUM	
(B) Specific guidelines on human rights					(1) for all of our AUM	
(C) Specific guidelines on other systematic sustainability issues					(2) for a majority of our AUM	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

(A) Listed equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

This excludes any institutional client instructions as to exercising voting rights, whether for particular companies or particular issues such as climate change, diversity or human rights.

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

(A) Board members, trustees, or equivalent

(B) Senior executive-level staff, or equivalent

Specify:

MFG's Board has ultimate oversight over risk management and compliance including setting MFG's risk appetite in relation to key risks, including environmental, social and governance risks. We maintain a Risk Management Framework which covers climate related risks and opportunities.

(C) Investment committee, or equivalent

Specify:

For Magellan Asset Management (ex Airlie), the Investment Committee (IC) approves the ESG policies and changes to ESG scores. The Investment Committee is made up of the Head of Investments and senior investment staff including Portfolio Managers. A member of the ESG team is always present at the IC. The Risk and Compliance Committee approves the Proxy voting policies.

(D) Head of department, or equivalent

Specify department:

Head of ESG oversees the implementation of the Responsible Investment policies. Head of Investments for Magellan-branded funds and Head of Australian Equities for Airlie.

(E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

(1) Board members, trustees, or equivalent

(2) Senior executive-level staff, investment committee, head of department, or equivalent

(A) Overall approach to responsible investment

(B) Guidelines on environmental, social and/or governance factors

(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

- (A) Yes
- (B) No
- (C) **Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

(A) Internal role(s)

Specify:

Corporate: The Board has ultimate oversight over risk management & compliance including setting risk appetite in relation to key risks, including ESG risk. Risk & Compliance Committee approve relevant policies. The Head of Investor Relations and Sustainability has management responsibility. Investments: The Head of ESG oversees the implementation of the Responsible Investment policies. Head of Investments & IC for Magellan Asset Management and Head of Australian Equities for Airlie.

(B) External investment managers, service providers, or other external partners or suppliers

(C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Explain why: (Voluntary)

Corporate: The Board has ultimate oversight over risk management & compliance including setting MFG's risk appetite in relation to key risks, including ESG risk.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

(1) KPIs are linked to compensation

(2) KPIs are not linked to compensation as these roles do not have variable compensation

(3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

Each of our senior executive-level staff are evaluated against a number of performance criteria and those criteria are dependent on the role that an individual undertakes. As disclosed in our Remuneration Report, a number of senior executives were involved in ESG initiatives for Magellan and this formed part of their overall evaluation. For our Investment Team, ESG risks are viewed through the prism of material risks; therefore they are considered by analysts and PMs in their daily responsibilities. ESG permeates analyses, reports, meetings, portfolio construction and engagement. Salary and bonus are materially impacted by the quality of work by analysts, and risk management & performance by PMs.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including governance-related recommended disclosures
 - (B) Yes, including strategy-related recommended disclosures
 - (C) Yes, including risk management-related recommended disclosures
 - (D) Yes, including applicable metrics and targets-related recommended disclosures
 - (E) None of the above
- Add link(s):

[https://www.magellangroup.com.au/sites/magellan/assets/6.-1591_MAG_Climate-Report_Jun2024-V10-\(spread\).pdf](https://www.magellangroup.com.au/sites/magellan/assets/6.-1591_MAG_Climate-Report_Jun2024-V10-(spread).pdf)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)
- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard

(D) Disclosures against other international standards, frameworks or regulations

Specify:

CDP: Reporting publicly to CDP since 2016.

Link to example of public disclosures

<https://www.cdp.net/en/data/scores?pStoreID=techsoup%2F1000%27%27%5B0%5D>

(E) Disclosures against other international standards, frameworks or regulations

Specify:

Reporting to PRI after joining in 2012.

Link to example of public disclosures

<https://www.magellangroup.com.au/general/docs/responsible-investing/pri/pri-transparency-report/>

(F) Disclosures against other international standards, frameworks or regulations

Specify:

In 2017, Magellan became a signatory of the PRI's Montreal Pledge. Under the Pledge, Magellan commits to measure and disclose the carbon footprint of its actively managed investment portfolios. The latest disclosures can be found in the table below.

Link to example of public disclosures

<https://www.magellangroup.com.au/responsible-investing/>

(G) Disclosures against other international standards, frameworks or regulations

Specify:

In 2024, we released our inaugural Climate Report aligned to the recommendations of TCFD.

Link to example of public disclosures

<https://www.magellangroup.com.au/general/docs/responsible-investing/mfg-climate-report-2024/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

(A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://www.magellangroup.com.au/responsible-investing/>

- (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (D) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

(A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services

(B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries

(C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact

(D) Exclusions based on our organisation's climate change commitments

(E) Other elements

Specify:

In select circumstances, where we consider business activities to be inconsistent with our values and those of our stakeholders, we will exclude certain industries from our investment universe. Assessment of these activities is grounded in a combination of ethical considerations, international norms, stakeholder expectations, and risk management practices, and reflect our belief that such industries are incompatible with sustainable long-term value creation. We have a firm wide exclusion to: Tobacco: Companies which produce tobacco products (including e-cigarettes); Controversial Weapons: Companies which manufacture controversial weapons.

- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) **Not applicable; we do not have a strategic asset allocation process**

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

(1) Listed equity

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

Across our internally-managed equities Magellan prioritises engagement with portfolio companies on a broad range of ESG themes identified by the ESG Team and that investment analysts assess material to those companies within our proprietary ESG risk and opportunities assessment framework. Engagement has two primary objectives, and both of these are designed to have a positive impact on shareholder returns over time:

1. Risk assessment and management: better understand the risks and opportunities over time. As long-term investors, we build up knowledge and insight, which we discuss and challenge during engagements. These learnings often deepen our understanding within and across industries.
2. Influence: encouraging and supporting change to a company's approach or the setting of targets. As long-term investors, we build constructive relationships which better enable us to drive positive change at the company. The urgency with which we seek to influence usually correlates to the time horizon over which we expect the risk or opportunity to arise.

Investment analysts identify key risks and opportunities at the company level, which are then aggregated to identify common themes at the portfolio level. The level of engagement is also considered in the context of the relative size of Magellan's investment. We will seek a deeper level of engagement with firms when our strategies own a greater portion of a firm's equity, and we therefore hold greater sway, and responsibility to engage.

On systemic issues such as climate risk, we have developed a climate specific stewardship strategy for each strategy. We assess company alignment to net zero using our proprietary climate risk framework. Clear engagement objectives are set to see progress and outcomes before escalation is considered.

Magellan strives to engage directly with portfolio companies where we have formed the view that material modern slavery risk exists. The objective of these engagements is to better understand how the company is managing Modern Slavery risks and to influence. For companies rated as 'High' risk following our annual assessment, we commit to engaging.

Voting: Magellan review all available resolutions within the investment team with reference to Magellan's Voting Principles, Climate Stewardship strategy and engagement throughout the year. Each shareholder proposal is carefully reviewed – considering how it aligns to the validity of the proposal, whether the risk identified is sufficiently material to either the company or industry to warrant the proposal, how the Board and executives manage the risk and whether the proposal enhances the transparency, management or understanding of the risk. Engagement with portfolio companies is undertaken throughout this voting process to better understand shareholder proposals put forward and managements' perspectives on how they are managing the risks and opportunities being considered within the proposals. This engagement is prioritised for companies where further information is required from the company to determine the vote or to influence change.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Additional context to your response(s): (Voluntary)

Yes, through industry bodies the ESG and Investment Team participate in company engagements where they are material to our investment portfolios. Examples of engagement include: Investor toolkit (RIAA) and company engagement - We collaborated on the development of the RIAA investor toolkit on Artificial Intelligence and Human Rights, launched in April 2024. The ESG team led the Stewardship section of the report. This included our collaborative engagement with Microsoft on enhanced disclosure on their Human Rights Impacts Assessment (HRIA) and shareholder requests to make this publicly available. World Benchmarking Alliance (WBA) – we are signatories on a WBA letter from a group of investors looking at Alphabet in the framework of the Collective Impact Coalition (CIC) for Ethical Artificial Intelligence (AI). The letter was acknowledged by the Alphabet.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation’s default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

MFG is a signatory to a number of industry initiatives and associations that support our commitment to responsible investment, transparency to stakeholders and ability to elevate key company and industry issues such as climate change. By joining these collaborative initiatives, our company and industry research is enhanced, our clients benefit from broader stakeholder perspectives and our voice is made louder by joining with others that have similar long-term objectives. We have actively participated in collaborative initiatives such as:

- IGCC Practice Working Group – meetings covered a range of topics including NZIF 2.0, NZAM briefings, Climate transition,
- RIAA Working Groups covering a range of topics include Nature and biodiversity, human rights, policy and advocacy (mainly in the Aus and NZ landscape) and climate.
- RIAA Human Rights working group
- IGCC Paris aligned working group
- IGCC Assurance Roundtable member – represented Magellan and other Asset Mangers to address concerns regarding ASRS financed emission reporting requirements.

We also collaborate with investors on a case by case basis. For example

Investor toolkit (RIAA) and company engagement - We collaborated on the development of the RIAA investor toolkit on Artificial Intelligence and Human Rights, launched in April 2024. The ESG team led the Stewardship section of the report. This included our collaborative engagement with Microsoft on enhanced disclosure on their Human Rights Impacts Assessment (HRIA) and shareholder requests to make this publicly available. World Benchmarking Alliance (WBA) – we are signatories on a WBA letter from a group of investors looking at Alphabet in the framework of the Collective Impact Coalition (CIC) for Ethical Artificial Intelligence (AI). The letter was acknowledged by the Alphabet.

Industry: We engaged with multiple electric utility companies regarding collaboration to develop an alternate external verification of climate targets where SBTi provided challenges. We are pleased to see the industry collaborating with EPRI (Electric Power Research Institute) to develop their own framework to validate climate targets. To assess credibility of climate targets, we also need to collaborate with these industry bodies to ensure rigor and balanced assessment.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff

Select from the list:

- 1
- 4
- 5

(B) External investment managers, third-party operators and/or external property managers, if applicable

(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers

(D) Informal or unstructured collaborations with investors or other entities

Select from the list:

- 2
- 4
- 5

(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar

Select from the list:

- 3
- 4
- 5
- (F) We do not use any of these channels

Additional context to your response(s): (Voluntary)

Regarding (E) formal collaborative engagements, MFG has joined WBA Collective Impact Coalition (CIC) for Ethical Artificial Intelligence (AI).

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation’s stewardship activities linked to your investment decision making, and vice versa?

Our stewardship activities are conducted internally. Our portfolio managers’ capital allocation decisions to purchase stocks incorporate stewardship considerations. Stewardship is a critical element of our investment process. We aim to engage with companies where material risks and opportunities are identified. This engagement can provide input into our proprietary ESG scoring which is debated and approved at the Investment Committee. Analysts review candidate stocks for the strategy’s approved list for material ESG factors and engage if required. If the factors present excessive risks, then stocks will not progress to approval and cannot be considered by the Portfolio Manager for inclusion in the strategy. We also review all proxy voting items at General Meetings and seek to engage with companies ahead of potentially contentious votes. In cases where engagement has been ongoing, without any progress on an issue that is considered a material risk to future cashflows or valuation, the portfolio managers and ESG team will consider an escalation path that may include a change to the ESG score or portfolio sizing.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Magellan's engagement approach is to engage with portfolio companies on a broad range of Environmental, Social and Governance (ESG) themes identified by the Investment Team as material to those companies within their ESG risk and opportunities assessment framework. We aim to enhance the certainty of long-term cash flow generation and seek clarity on proxy proposals, provide feedback, and effect change. The investment team engage with companies on a regular basis and throughout the proxy voting process. Included in our ladder of escalation, is the option to collaborate with clients, other shareholders or industry experts who share similar perspectives or consider portfolio sizing. We focus our engagement on material issues that could affect future cash flows and valuation. We assess proxy proposals in line with our Corporate Governance Principles and consider whether the proposals will enhance the certainty of long-term cash flow generation. We set clear engagement objectives with expectations of progress and outcomes before considering escalation. We aim to communicate votes that differ from the company recommendation to the company to notify them and influence change. We have a long-term investment horizon that allows them to engage with companies over an extended period on issues important to protecting and creating shareholder value. We also maintain a climate specific stewardship strategy. This outlines our approach for climate risks. We prioritise engagement with companies in high impact material sectors that are not aligned to net zero according to the Net Zero Investment Framework. We have set engagement threshold targets and will be tracking progress against these. https://www.magellangroup.com.au/magellan/assets/File/Magellan%20Stewardship%20Strategy%20-%20Climate_August%202023.pdf We also make a commitment as part of our Modern Slavery statement to engage with companies rated 'high' on our Modern Slavery risk assessment. Stewardship reports are available to all clients on our website. We commit to updating and enhancing this each year.

<https://www.magellangroup.com.au/responsible-investing/>

In our Airlie strategy, as long term investors we are committed to engaging with portfolio companies on a broad range of matters, including those of an ESG nature. Meeting with management is a critical component of the investment process at Airlie. We will seek to engage with management any time we feel action needs to be taken in the interest of shareholders, or we are seeking further information on an issue. We typically begin engagement with company management, through investor relations or directly with management. We will also raise ESG issues with company Board members during periodic results meetings.

Airlie focuses its engagement on material issues, particularly those which could affect future cash flows or damage the company's reputation. The level of engagement on ESG issues is also considered in the context of the relative size of Airlie's shareholding. We recognise meaningful change often takes time, so we monitor issues and engagement over time and see incremental change as progress.

Airlie has a climate specific stewardship strategy, that outlines our approach to engaging with companies in high impact material sectors that are not aligned to net zero according to the Net Zero Investment Framework. The strategy includes clear escalation and voting processes.

Airlie's approach to proxy voting is to assess all proxy voting proposals and vote inline with our Proxy Voting Policy, the objective of which is to promote the interest of our clients. Where Airlie's voting decision is contrary to the recommendation of company management, we aim to notify management in advance, and may engage to seek further clarification before votes are lodged.

<https://www.airlifundmanagement.com.au/about/policies/>

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases

(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases

(C) We ensure consistency with our voting policy by reviewing external service providers' voting recommendations only after voting has been executed

- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other

- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes
 - (B) Yes, for the majority of (proxy) votes
- Add link(s):

<https://www.magellangroup.com.au/responsible-investing/>
<https://www.sec.gov/Archives/edgar/data/1536105/000153610524000002/0001536105-24-000002-index.htm>

- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) **Within one year of the AGM/EGM**
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale		
(B) Yes, we privately communicated the rationale to the company	(2) for a majority of votes	(2) for a majority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	<input type="radio"/>	<input type="radio"/>
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	<input type="radio"/>	<input type="radio"/>

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one



(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal



(C) Publicly engaging the entity, e.g. signing an open letter



(D) Voting against the re-election of one or more board directors



(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director



(F) Divesting



(G) Litigation



(H) Other



(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings



STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
 - (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups

Describe:

We are an active member of IGCC and monitors engagement and policy advocacy activities through regular member meetings. In the last year, we have contributed to industry roundtables and working groups, providing feedback to peers, regulators and other key stakeholders on the mandatory reporting requirements related to financed emissions for asset managers.

- (D) We engaged policy makers on our own initiative

Describe:

We engaged directly with policy makers and regulators where material to our investments, for example, Spanish independent national regulatory authority, Spain's energy ministry and the Italian economic regulator. We are engaging with EPRI (Electric Power Research Institute) to provide investor input into their proposed framework to validate climate targets for the industry. To assess credibility of climate targets, particularly where SBTi is difficult to apply to an industry, we need to collaborate with these industry bodies to ensure rigor and balanced assessment. Another example of engagement with EEI is the advocacy for the industry to assess physical climate risk from wildfires. This is a material financial risk given the increasing cost of wildfire insurance. We are pleased to see progress on this issue and will continue to advocate.

- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers
- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year**

Explain why:

We communicate our engagement with policymakers on a case by case with interested clients, privately. This engagement is not prioritised by all clients.

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

WEC Energy engagement to ensure a resilient and robust climate strategy.

(1) Led by

- (1) Internally led**
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors**
- (2) Social factors
- (3) Governance factors**

(3) Asset class(es)

- (1) Listed equity**
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Objective: Ensure a resilient and executable climate strategy, with evident progress towards targets.

Objective Status: Committed.

WEC Energy has material exposure to the energy transition, considered to be both a risk and an opportunity.

• Magellan deems the risk as material due to its exposure to coal fired power stations in the US, as assessed by our investment team and the Net Zero Investment Framework.

• Significant investment opportunities arise for WEC Energy via the appetite for clean renewable energy and robust energy demand, particularly from AI-related assets. Magellan have engaged with WEC Energy senior management to understand the implications for shareholder of renewable investments and coal plant retirements.

Outcome: Magellan was pleased to see the announcement from WEC Energy that its subsidiaries would seek to phase out coal earlier than planned. A clear plan was communicated to shareholders for a staged closure of its co-owned plants from 2024 to 2031. Magellan will continue to monitor progress towards these new closure dates and ensure the company is managing an equitable transition for workers and the community. Separately, WEC Energy is a key beneficiary of the AI-related energy demand. The utility recently signed a partnership with Microsoft to provide critical generation for powering its data centres, which entails considerable investment in renewables, other low-emission energy, and transmission and distribution, all while ensuring very high levels of reliability.

(B) Example 2:

Title of stewardship activity:

Nestlé engagement on Healthier Product Innovation to ensure they maintain their competitive advantage.

(1) Led by

(1) Internally led

(2) External service provider led

(3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

(1) Environmental factors

(2) Social factors

(3) Governance factors

(3) Asset class(es)

(1) Listed equity

(2) Fixed income

(3) Private equity

(4) Real estate

(5) Infrastructure

(6) Hedge funds

(7) Forestry

(8) Farmland

(9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Objective: Assess Nestle's investment and innovation in 'healthier' products to remain a brand of choice and retain its competitive advantages.

We engaged with Nestle to ensure they have a clear strategy, and targets related to improve the nutritional content of their products and healthy offerings. We view this as a material ESG risk to cashflows from changing consumer preference and increasing regulations.

Objective Status: Committed

Risk to cash flows: our analysis estimates that Nestle has a material earnings exposure to foods with higher fat, sodium, and sugar content. Globally, we estimate Nestle has approximately 20-25% of sales exposed to brands and/or categories that are at risk of regulatory headwinds from High Fat, Sodium, and Sugar (HFSS) regulation.

The majority of Nestle's portfolio (>60% of global revenue and >70% of global operating profit) is exposed to coffee, pet food, and Nestle Health Science (e.g. vitamins) – we assess these categories as having low exposure to this risk. Our Nestle analyst engaged directly with the CEO, Sustainability and investor relations teams on this important topic in Switzerland, ahead of the AGM. In these discussions, Nestle acknowledged the need to innovate and invest in healthier foods, outlining current products (e.g. Garden Gourmet) and future plans (e.g. re-invest in Lean Cuisine). Challenges and learnings with scaling more niche businesses, consumer taste and price, also need to be considered. In addition to discussions with the company, we also engaged with the ShareAction (proponent) and the World Benchmarking Alliance.

Outcomes: The engagements and analysis have improved our understanding of the risk, and we assess Nestle as making some progress through reformulations, acquisitions and divestments. On reformulation of existing products, while Nestle has made some progress reducing fat, sodium and sugar content, there are challenges with moving too quickly to reformulate given the potential impact to taste and therefore sales. We will continue to engage. We recognise the company improved the health star rating of >1,000 products and encourage it to continue this journey as health and wellness trends will continue to drive incremental demand for healthier convenience foods.

(C) Example 3:

Title of stewardship activity:

Eversource engagement regarding the appointment of a lead independent director where the Chair and CEO positions are combined.

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Engagement & Voting Objective: Appointment of lead independent director where Chair and CEO positions are combined.

Objective Status: Objective addressed

We outlined our preference for companies with a combined Chair and CEO to ensure a Lead Independent Director, given long tenure. Eversource committed to this, with plans already in place. We followed up our engagement meeting with a letter to the Board, communicating our view that consideration should be given to weights and maximum payouts, particularly for metrics not reflective of financial performance, and the appointment of a lead independent director. Following our engagement process and escalation, we voted against the company on the advisory vote on executive compensation and the Chair of the Nominations Committee.

Outcome: Directors: Since voting at the 2024 general meeting, we are pleased to see Eversource have announced a lead independent director. This engagement objective is now closed.

(D) Example 4:

Title of stewardship activity:

Italgas engagement regarding increasing diversity amount managerial positions.

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Objective: Encourage more ambitious target for women in managerial positions towards equality.

Objective Status: Committed.

Engagement: Through direct company engagement, we met with senior executives at Italgas over the last 2 years to encourage greater incentivisation and initiatives related to gender diversity at the executive and all company level. We acknowledged that the gender diversity at the Board level of 44% female directors meets our expectations.

In engagement, we encouraged the company to set a more ambitious target for women in managerial positions. We highlighted that they had met the 28% target in 2023 which further supports this case to increase the hurdle. In 2024 there was no change to the target, and we encouraged this to be reviewed again. We discussed the challenges with attracting females to the industry however, the company provided detail around their targets and initiatives to support greater gender diversity across the organisation. One of these initiatives it to ensure monitoring and improvement to the Gender Equity Pay Gap, we are pleased that this is part of the STI for the CEO.

Outcome: In 2025 we saw a positive outcome from Italgas, an upwards revision to their target to 33% of women in positions of responsibility by 2030 which includes the recent acquisition in Greece.

(E) Example 5:

Title of stewardship activity:

Atlas Arteria engagement and voting case study on executive remuneration

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Engagement and voting objective: Improve measures of long-term incentive payments towards operating cash flow.

Objective Status: Addressed

We had multiple engagements with the Chair and Remuneration Committee Chair since 2019. We provided feedback on our preference for long term incentive payments to be linked to cash flow metrics. We also discouraged further metrics that encourage acquisitions or provide upwards discretion.

Outcome: While the metric regarding the length of the portfolio weighted average remaining concession term had already been removed following the acquisition of Skyway, a positive outcome in 2024 is the proposed introduction of an operating cash flow metric in long-term incentive (LTI). The company acknowledged Magellan had discussed this in previous engagements. We will continue to engage and monitor the remuneration metrics following the appointment of a new CEO in August 2024.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

(A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

MFG integrates ESG factors, including climate risks & opportunities, into its investment activities to support long-term value creation for clients and respond to evolving expectations. We recognise the complexity and urgency of climate change, and the transition to a low carbon economy, along with the associated risks and opportunities that most affect our investment exposure. Climate-related risks are identified, assessed, and reviewed at least annually within our ESG and Climate Risk frameworks, informing stock selection across strategies. Our standard planning horizon aligns with the 3–5-year investment TSR period, though this may vary by strategy. The level and nature of climate risk can differ by strategy, and our response is aligned with the expected timing and materiality of those risks. This then informs our stewardship and engagement activities. Climate change, transition risks

- Policy, regulatory and legal (short to medium) Increased operating & compliance costs, staff training or independent verification; increased staff resources to meet legislation; carbon pricing passed onto customers.
- Technology (short) costs related to advancing technology for climate risk management, including R&D, adapting practices and the energy use of emerging technologies including AI.
- Reputational (short to medium) risks from inadequate climate response, unmet commitments, or greenwashing, potentially leading to legal and financial consequences.

The utilities sector has elevated transition risk, particularly for companies reliant on emissions-intensive energy to meet customer demand. Some regulated utilities in our coverage have negotiated early retirement of coal-fired power plants, but they remain in the rate base which protects cash flows. We are monitoring potential delays to US utility planned retirements due to regulatory shifts under the current US administration.

Climate change vulnerability, physical risks – identified over a short to long-term horizon. Identified chronic & acute physical risks include:

- Increased stranded asset risk due to reallocation of capital or physical asset location.
- Reductions in revenue from negative impacts on workforces.
- Disruption to business continuity.
- Increased operational or capital costs due to extreme weather events.
- Increased costs for key commodities including fossil fuels and water and other natural resources.

Examples of sectors exposed to physical risks include increased stranded asset risk for coal-fired power plants and gas networks, as well as coastal flooding and extreme heat risks affecting real estate. Indirect physical risks also impact banks with loans secured by real estate or businesses located in vulnerable areas. Other sectors include technology, as major electricity consumers driven by AI-related growth, tech companies have established climate strategies and targets. These include purchasing renewable electricity, encouraging local authorities to invest in clean energy generation, and implementing other sustainability initiatives. Agricultural supply chain, companies reliant on agricultural commodities must invest strategically to manage climate impacts effectively.

Opportunities. The energy transition presents investment opportunities, particularly for industrials benefiting from long-term trends.

Climate adaptation strategies can also enhance efficiency and improve risk profiles. Further examples include:

- Investing in companies that are supporting energy efficiency initiatives.
- Reducing energy input to product manufacturing resulting in reduced operating costs.
- Investing in companies or sectors that might benefit from technology breakthroughs.
- Enhancing cost stability, reducing exposure to the volatility of carbon sources.
- Reducing regulatory legal costs & potential reputational damage.
- Investing in companies that are reducing their exposure to GHG emissions, which reduces the need to purchase GHG offsets-decreasing cost sensitivity and exposure to energy markets.
- Protecting the value of existing assets, supply chains and operations.

Airlie sees a range of medium- to long-term climate-related opportunities. We're monitoring companies exposed to critical transition materials (e.g. copper, lithium, aluminium) and services (e.g. fossil fuel decommissioning, renewables construction). We also see potential in businesses benefiting from shifts in consumer preferences, such as aluminium packaging, and in hard-to-replace asset bases like storage, logistics, and heavy industry, particularly those tied to Australia's commodity and recycling advantages. From a medium- to long-term risk perspective, Airlie is focused on businesses likely to struggle with emissions reduction, potentially weakening their cost base or competitive position as carbon pricing becomes more transparent. Key sectors of concern include fossil fuel producers (especially relative to renewables), and low-quality steel and cement manufacturers.

(B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Yes, MFG has identified climate-related risks and opportunities that extend beyond our standard planning horizon, which generally aligns with our 3–5-year investment total shareholder return (TSR) period, though this may vary by strategy. As long term investors so as part of the assessment of a company's intrinsic value, we seek to consider all issues that may materially affect the investment outcomes for a company, including climate risks and opportunities.

Climate change, transition risks

- Policy, regulatory and legal (short - long) Increased operating & compliance costs, staff training or independent verification; increased staff resources to meet legislation; carbon pricing passed onto customers.
- Technology (short-long) costs related to advancing technology for climate risk management, including R&D, adapting practices and the energy use of emerging technologies including AI.
- Reputational (short-long) risks from inadequate climate response, unmet commitments, or greenwashing, potentially leading to legal and financial consequences.

The utilities sector has elevated transition risk, particularly for companies reliant on emissions-intensive energy to meet customer demand. Some regulated utilities in our coverage have negotiated early retirement of coal-fired power plants, but they remain in the rate base which protects cash flows. We are monitoring potential delays to US utility planned retirements due to regulatory shifts under the current US administration.

Climate change vulnerability, physical risks – identified over a short to long-term horizon. Chronic & acute physical risks include:

- Increased stranded asset risk due to reallocation of capital or physical asset location.
- Reductions in revenue from negative impacts on workforces.
- Disruption to business continuity.
- Increased operational or capital costs due to extreme weather events.
- Increased costs for key commodities including fossil fuels and water and other natural resources.

Examples of sectors exposed to physical risks include increased stranded asset risk for coal-fired power plants and gas networks, as well as coastal flooding and extreme heat risks affecting real estate. Indirect physical risks also impact banks with loans secured by real estate or businesses located in vulnerable areas. Other sectors include technology, as major electricity consumers driven by AI-related growth, tech companies have established climate strategies and targets. These include purchasing renewable electricity, encouraging local authorities to invest in clean energy generation, and implementing other sustainability initiatives. Agricultural supply chain, companies reliant on agricultural commodities must invest strategically to manage climate impacts effectively.

Opportunities. The energy transition presents investment opportunities, particularly for industrials benefiting from long-term trends.

Climate adaptation strategies can also enhance efficiency and improve risk profiles. Further examples include:

- Investing in companies that are supporting energy efficiency initiatives.
- Reducing energy input to product manufacturing resulting in reduced operating costs.
- Investing in companies or sectors that might benefit from technology breakthroughs.
- Enhancing cost stability, reducing exposure to the volatility of carbon sources.
- Reducing regulatory legal costs & potential reputational damage.
- Investing in companies that are reducing their exposure to GHG emissions, which reduces the need to purchase GHG offsets- decreasing cost sensitivity and exposure to energy markets.
- Protecting the value of existing assets, supply chains and operations.

As part of the assessment of a company's intrinsic value, Airlie seeks to consider all issues that may materially affect the investment outcomes for a company, including climate risks and opportunities. Many of these risks and opportunities are outside of Airlie's investment time horizon, however, material risks and opportunities are still considered as part of the overall assessment of a company.

Airlie sees a range of medium- to long-term climate-related opportunities. We're monitoring companies exposed to critical transition materials (e.g. copper, lithium, aluminium) and services (e.g. fossil fuel decommissioning, renewables construction). We also see potential in businesses benefiting from shifts in consumer preferences, such as aluminium packaging, and in hard-to-replace asset bases like storage, logistics, and heavy industry, particularly those tied to Australia's commodity and recycling advantages.

From a medium- to long-term risk perspective, Airlie is focused on businesses likely to struggle with emissions reduction, potentially weakening their cost base or competitive position as carbon pricing becomes more transparent. Key sectors of concern include fossil fuel producers (especially relative to renewables), and low-quality steel and cement manufacturers.

- o (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

● **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

MFG evaluates ESG issues, including climate risks and opportunities, as appropriate to our corporate operations and investment activities in an ongoing effort to deliver long-term value for our clients while meeting changing demands.

In our investments activities MFG acknowledges the complexity and urgency of climate change, along with the shift to a low-carbon economy. We understand the global risks and opportunities this presents, and its impact on our investment activities, where our exposure to physical and transition climate-related risks is most significant.

- **Global Equities and Global Listed Infrastructure** A crucial aspect of our investment analysis is evaluating the readiness of companies for the transition to a lower or net-zero emissions environment across our investment horizons. In support of this, we are signatories to the Paris Agreement's goals of limiting the global temperature rise to below 2°C, preferably to 1.5°C compared to pre-industrial levels.

Climate change is complex and affects portfolio companies in our investment universe differently. We review available climate scenario analysis from our ESG data providers and industry research including IPCC and IEA for relevant strategies. We continue to explore available methodologies, models, and targets to use to assess overall resilience across different climate warming scenarios.

Assessment of individual portfolio company climate resilience is reviewed where climate change risk is considered material to cashflows over our investment horizons.

- **Australian equities** Similarly, in our Airlie business, we want to ensure that our portfolio companies remain resilient to the impacts of climate change and the transition to a low-carbon economy. As such, climate-related risks and opportunities in portfolio companies over our investment time horizons are identified and assessed as part of our company research, where material, through analysis of physical risks of changes in climate along with the transition risk arising from global responses to climate change. MFG acknowledges that climate change introduces both risks and opportunities in our corporate operations. Integrating sustainability into the Group's strategic decision-making has the potential to benefit the environment, society and our stakeholders, including clients, shareholders and employees. MFG has a Risk Management Framework for climate related risks and opportunities that is reviewed at least annually. As investment managers, the largest area of influence we have is in our approach to ESG risk management in our product design and delivery. MFG has adopted an ESG integration approach whereby each of our investment strategies integrate ESG into the investment process. We also work with asset owner clients to limit the impact on the environment from climate change in their investment portfolios, where requested by our clients, and leverage our expertise in low carbon investing to achieve specific outcomes. At present, the direct physical and transitional risks posed by climate change on our corporate operations are minimal. Our operating model is not materially exposed to climate-sensitive assets or geographies, and our operational footprint is limited in terms of emissions and resource intensity. We will continue to monitor emerging climate-related developments to safeguard long-term value for our stakeholders.

In our corporate operations

New product development Climate-related risks and opportunities are considered as part of MFG's product development strategy. MFG can service clients (via mandates) that are designed to accommodate client requirements such as carbon intensity caps, engagement targets, or alignment with net zero goals.

○ **(B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios**
Specify:

For some strategies, particularly those with higher exposure to climate-related risks, climate scenario analysis forms part of ongoing investment due diligence. For example, the Magellan Infrastructure team review of security-level climate scenario analysis heuristics such as Climate Value at Risk (CVaR) and Implied Temperature Rise (ITR) using our external data provider, MSCI. The Magellan investment team intends to utilise these climate heuristics to identify issues that require further fundamental research. In particular, if the review of climate heuristics suggests that the CVaR is excessive or that the CVaR trends are deteriorating, we intend to undertake a proprietary review. We continue to work with data providers to evaluate the robustness and credibility of climate scenario models and assess the relevance of new products that may support our investment process.

As part of our Net Zero Alignment and proprietary SAFE assessments, we evaluate how companies are positioned for the transition to a net zero economy, including the credibility of their net zero & interim emission reduction targets. We assess whether these targets align with science-based scenarios limiting warming to 1.5°C or 2°C, guided by the IPCC's Global Warming of 1.5°C (2018) report. Our climate risk frameworks require companies to set interim, science-based emission reduction targets. While we prefer external validation through the Science Based Targets initiative (SBTi), this is not always feasible - particularly in high-emitting sectors such as gas utilities. Assessment outcomes from our Net Zero Alignment and SAFE assessment are monitored as part of ongoing due diligence and engagement. Engagement feedback is a useful component that again feeds into our assessment of company resilience to warming temperature scenarios.

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- (A) Yes, we have a process to identify and assess climate-related risks**
(1) Describe your process

We believe that climate-related risks can be financially material to our investment activities. As part of the investment team's ongoing research, physical and transition climate risks are considered from a bottom-up, case-by-case basis. Climate related factors are then incorporated into long-term investment theses across relevant strategies. Initiation research reports compiled by the Investment Team include a discussion of climate change risks facing companies if material and includes a company's emissions intensity. If a material risk is identified, the Investment Team will incorporate cash flow impacts (either to capital expenditure or earnings margins) to reflect the cost to the company of addressing or remediating the exposure. It is also incorporated into the overall "E" score.

As part of Magellan Global Equities and Listed Infrastructure's Net Zero Alignment Assessment, the investment team assesses all portfolio companies' alignment to net zero. In identifying climate risks, we leverage our internal ESG investment research including direct company engagement and when appropriate, external data providers. The Net Zero Alignment Assessment considers:

1. Ambition: A commitment to net-zero by 2050.
2. Targets: Near and medium-term science-based emission reduction targets and considering whether those targets are externally validated.
3. Strategy: Alignment to reporting in accordance with regulatory frameworks and whether a credible climate strategy to achieve targets exists.

In assessing the credibility of a companies' climate strategy, we also consider the ambition of the targets, disclosure of emissions (scope 1, 2 and material scope 3) and the progress towards near term and net zero emissions targets, utilising the Net Zero Investment Framework.

SAFE Framework The Magellan Listed Infrastructure team also undertakes a detailed review of companies exposed to climate risks, including an analysis of climate transition risks using Magellan's proprietary SAFE (Situational Analysis, Forecasting, and Engagement). The SAFE framework classifies portfolio constituents as 'Aligned', 'Secure', 'Transforming', or 'Vulnerable', having regard to:

- Their climate positioning – that is, whether they are expected to be economic beneficiaries of the transition, or face more prominent business risks in a transitioning economy; and
- The credibility of their decarbonisation strategy.

Classification in accordance with the SAFE Transition framework drives differentiated analysis and engagement, reflecting the materiality of risks and opportunities facing portfolio companies as a result of the energy transition. Consistent with MFGAM's focus on downside protection, those companies classified as 'Vulnerable' undergo detailed asset stranding risk analysis and are prioritised for engagement. The SAFE framework will continue to be utilised within the infrastructure process given the material risks and opportunities of the climate transition for companies in this sector.

Further, within the Airlie investment process, Climate risk is identified and assessed as part of our company research through analysis of physical risks of changes in climate along with the transition risk arising from global responses to climate change. In this way we incorporate risks from climate change into financial forecasts, valuation, and investment decisions for the portfolio. The quality of a company's strategy to address GHG emissions and respond to the threats and opportunities from the transition to a low carbon economy are assessed in the Management Quality component of our investment process. Industry risks, particularly for holdings in high-risk sectors are captured in the Business Quality component of our investment process. For example, we consider the impact of increased frequency and severity of weather events on insurers, and the impact of increased rainfall deficiencies and drought severity for agricultural stocks.

The Valuation component of Airlie's investment process incorporates scenario analysis and long-term valuation impacts of assessed risks including climate risk for companies where climate change is a material risk. Analysts will use DCF and NPV valuation methodologies to capture long term risk such as stranded asset risk. Additionally, we also test a company's stated transition plans, the cost of their plans, and include carbon prices (if not legislated, a de facto price) in the valuation. These assessments are performed by the individual stock analysts and are incorporated into their investment case for the stock.

(2) Describe how this process is integrated into your overall risk management

The day-to-day management of climate-related risks and opportunities in our investment activities is overseen by the Head of ESG, along with the execution of the fund level Climate Stewardship Strategy which manages climate related risks through active stewardship. We have strategy specific climate stewardship strategies for Magellan Global Equities, Listed Infrastructure and Airlie, covering assessment, monitoring, engagement, and voting. Climate-related risks and opportunities in our investment activities are supported by the following: Policy and process frameworks: Key documents in the 'Risk Management Framework - Climate related risks and opportunities', include our fund level ESG Policy, Climate Stewardship Strategy, Voting Principles and our Basis of Preparation for financed emissions calculations. ESG investment governance: The ESG team, led by the Head of ESG, implements the Climate Stewardship Strategy and supports the Magellan Global Equities and Listed Infrastructure teams with climate analysis. They collaborate with the investment team to assess company climate strategies and progress toward targets. ESG and climate-related risks are periodically reviewed by the Investment Committee as part of the portfolio approval process.

Portfolio construction: Magellan Global Equities and Listed Infrastructure portfolio managers consider the ESG scores and qualitative assessments by analysts when considering the purchase or sale and sizing of stock positions within the portfolio. The portfolio construction approach differs by strategy. For strategies in scope for the Net Zero Asset manager initiative, portfolio level targets have been set for alignment to net zero, emission reduction and engagement.

Airlie's process to assess and integrate climate related risk is to identify and evaluate the relevant climate risks for each portfolio company, and account for material climate risks in the investment thesis and valuation where relevant (i.e for those companies where it is a material risk). The process can effectively be summarised into four steps (steps that work in unison, not stages)

- ESG team driven evaluation of climate-related risks for specific industries and types of businesses
- Analyst driven evaluation of Company-specific climate-related risks, which flow into assessment of valuation and risk/reward
- Analyst driven engagement with both held and non-held Companies at to their approach to managing climate-related risks (including interrogation of their net zero emissions plan), as per our climate related stewardship strategy
- Portfolio manager assessment of climate-related risk at a portfolio level Engagement is an important input into risk management including assessing the credibility of the strategy and encouraging greater ambition regarding targets.

(B) Yes, we have a process to manage climate-related risks

(1) Describe your process

The Investment Teams review climate related targets and commitments for companies in all strategies, at least annually. Utilising both Magellan proprietary analysis and other data each company is assessed for their alignment to net zero. These are assessed against the Net Zero Alignment Assessment (guided by NZIF) as to whether they are aligned to net zero. Engagement is also an important input into assessing the credibility of the strategy and encouraging greater ambition regarding targets.

Consistent with our Climate Stewardship Strategy, we manage identified risks in our portfolio companies through active stewardship activities. Companies will then be prioritised for engagement based on whether they are identified in a 'high impact material sector', their progress to date, real world impacts, available technologies and our ability to influence for change. Objectives are communicated by our investment team and reviewed at least annually.

Our company engagement has two primary objectives, both of which are designed to have a positive impact on shareholder returns over time:

1. Risk assessment, management, and opportunities: to better understand the risks and opportunities over time. These learnings often deepen our understanding within and across industries. The output of this engagement contributes to the analyst's assessment of the credibility of the company's climate strategy.

2. Influence: encouraging and supporting change to a company's approach or the setting of climate related targets.

In cases where engagement has been ongoing without reasonable progress on an issue considered to be a material climate related risk to future cashflows or valuation, the portfolio managers and investment team will consider an escalation path that may include actions such as additional engagement, consideration in voting or portfolio position sizing. Escalation actions are considered on a case-by-case basis and may include, voting against directors or management proposals, for example, 'Say on Climate', or supporting climate related shareholder proposals. Portfolio sizing decisions, including divestment, will be considered by portfolio managers where climate risk is deemed material to cashflows, and progress has not been made relative to the engagement objectives. The analysts will consider the identified risks and progress when reviewing ESG scores.

Further, within the Airlie investment process, the management of material climate related risks for portfolio companies is managed in the same way as other material risks for a company. After a material climate related risks have been identified, evaluated, and accounted for in the investment thesis (and valuation where relevant) for an individual company, the risk is managed as part of our ongoing due diligence and engagement, including the monitoring of climate targets and transition plans. This process is further strengthened by the recent introduction of our climate specific stewardship and engagement strategy, where companies in high-impact material sectors that are not aligned to net zero will be subject to a specific engagement plan that includes an escalation and voting policy.

(2) Describe how this process is integrated into your overall risk management

The day-to-day management of climate-related risks and opportunities in our investment activities is overseen by the Head of ESG, along with the execution of the fund level Climate Stewardship Strategy which manages climate related risks through active stewardship. We have strategy specific climate stewardship strategies for Magellan Global Equities, Listed Infrastructure and Airlie, covering assessment, monitoring, engagement, and voting. Climate-related risks and opportunities in our investment activities are supported by the following: Policy and process frameworks: Key documents in the 'Risk Management Framework - Climate related risks and opportunities', include our fund level ESG Policy, Climate Stewardship Strategy, Voting Principles and our Basis of Preparation for financed emissions calculations. ESG investment governance: The ESG team, led by the Head of ESG, implements the Climate Stewardship Strategy and supports the Magellan Global Equities and Listed Infrastructure teams with climate analysis. They collaborate with the investment team to assess company climate strategies and progress toward targets. ESG and climate-related risks are periodically reviewed by the Investment Committee as part of the portfolio approval process.

Portfolio construction: Magellan Global Equities and Listed Infrastructure portfolio managers consider the ESG scores and qualitative assessments by analysts when considering the purchase or sale and sizing of stock positions within the portfolio. The portfolio construction approach differs by strategy. For strategies in scope for the Net Zero Asset manager initiative, portfolio level targets have been set for alignment to net zero, emission reduction and engagement.

Airlie's process to assess and integrate climate related risk is to identify and evaluate the relevant climate risks for each portfolio company, and account for material climate risks in the investment thesis and valuation where relevant (i.e for those companies where it is a material risk). The process can effectively be summarised into four steps (steps that work in unison, not stages)

- ESG team driven evaluation of climate-related risks for specific industries and types of businesses
- Analyst driven evaluation of Company-specific climate-related risks, which flow into assessment of valuation and risk/reward
- Analyst driven engagement with both held and non-held Companies at to their approach to managing climate-related risks (including interrogation of their net zero emissions plan), as per our climate related stewardship strategy
- Portfolio manager assessment of climate-related risk at a portfolio level Engagement is an important input into risk management including assessing the credibility of the strategy and encouraging greater ambition regarding targets.

- o (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

- (A) Exposure to physical risk
- (B) Exposure to transition risk**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - <https://www.magellangroup.com.au/general/docs/responsible-investing/climate-stewardship-strategy/>
- (C) Internal carbon price
- (D) Total carbon emissions**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - <https://www.magellangroup.com.au/general/docs/responsible-investing/mfg-climate-report-2024/>
- (E) Weighted average carbon intensity**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - <https://www.magellangroup.com.au/general/docs/responsible-investing/mfg-climate-report-2024/>
- (F) Avoided emissions
- (G) Implied Temperature Rise (ITR)
- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities
- (J) Other metrics or variables
- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- (A) Scope 1 emissions**
 - (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

magellangroup.com.au/general/docs/responsible-investing/mfg-climate-report-2024/

(B) Scope 2 emissions

(1) Indicate whether this metric was disclosed, including the methodology

o (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

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(C) Scope 3 emissions (including financed emissions)

(1) Indicate whether this metric was disclosed, including the methodology

o (1) Metric disclosed

● **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

magellangroup.com.au/general/docs/responsible-investing/mfg-climate-report-2024/

o (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement**
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)**
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights**
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)**

Specify:

Task Force on Climate-Related Financial Disclosures (TCFD)

- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irreparable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments

- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?

- (A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Each company is assessed for exposure to modern slavery risks and management of this risk exposure. Risk exposure considers the industry, geography and material controversies alleged or confirmed.

- (B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes
- (C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes
- (D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes
- (E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**

Specify:

Part of proprietary ESG risk assessment which explicitly reviews controversies related to UNGP/UNG. Our analysis and reporting under the Australian Modern Slavery Act aligns with the UNGPs and contributes to the global efforts of eradicating modern slavery in the following ways: Human rights due diligence Transparency and reporting Remediation and access to remedy We monitor controversies through external data providers and follow up through engagement if the alleged incident is material and potentially resulted in negative outcomes for people connected to our investment activities.

Explain how these activities were conducted:

- External training from academic experts and RIAA Human rights working group. Our internally managed funds complete a modern slavery risk assessment for any portfolio company, at least annually. Utilising both internal analysis, company engagements and other data, each company's exposure to modern slavery risk is assessed based on factors including:
 - Risk Assessment
 - Sector and industry exposures
 - Geographic exposures
 - Product and services exposures
 - Entity exposures – consideration for controversies related to modern slavery The analysis is aimed at concluding whether the operations or supply chain of the company cause, contribute to or directly link to modern slavery. Each company is assessed for exposure to modern slavery risks and management of this risk exposure.

- (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

(A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities

Describe:

Where a material risk to people and human rights in the supply chain was identified we engaged with companies in the consumer products industry. We also used our influence through voting at AGMs on shareholder proposals that encourage the company to improve policies and practices related to workers rights.

(C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

(3) Active - fundamental

(A) Yes, our investment process incorporates material governance factors

(1) for all of our AUM

(B) Yes, our investment process incorporates material environmental and social factors

(1) for all of our AUM

(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period

(1) for all of our AUM

(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion

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(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors

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MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

(3) Active - fundamental

(A) Yes, we have a formal process that includes scenario analyses

(B) Yes, we have a formal process, but it does not include scenario analyses

(1) for all of our AUM

(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion

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(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies

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(B) Yes, we have a formal process but it does not include scenario analysis - Specify: (Voluntary)

For Magellan-branded funds our philosophical approach is to take a risk-based view of all risk factors, including ESG risk factors. Where ESG risks are assessed as material, then deductions from quality scores for Business Risks are made. Analyst base case and/or scenario cash flow forecasts may also incorporate allowance for ESG risks. ESG risks are reviewed on a continuous basis as part of the ongoing analysis of companies to determine whether there has been any change in the outlook for, and risks to, future cash flow generation. Importantly, Quality scores inform the portfolio manager on the overall degree of confidence had on cash flow forecasts and valuation. **AIRLIE

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

(2) Active - fundamental

(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process

(1) in all cases

(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

(3) Active - fundamental

(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(1) in all cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(1) in all cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(1) in all cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	o

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

LVMH – LVMH is a French multinational luxury goods group held in our Global strategies. The investment team assessed LVMH's governance ahead of its AGM, identifying increasing family concentration of control, raising concerns about succession preparedness, decrease in board independence, and shareholder alignment. The combined Chair/CEO role held by Bernard Arnault, now 76, breaches our governance principles. Despite his role in operations, strategy, and capital allocation, Arnault has not named a formal successor, presenting a significant key man risk.

The current governance model prioritises founder control over independent oversight, with risks escalating as succession nears and family presence on the board expands. We have engaged with LVMH over several years regarding governance concerns about insufficient board independence, the absence of a lead independent director, and the executive remuneration metrics. This has also been reflected in our voting outcomes.

The outcome of this governance review is a downgrade to LVMH's governance rating from B to C. This change was approved by the Investment Committee and serves as a signal to the Portfolio Managers of increasing governance risk.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

(3) Active - fundamental

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(2) Active - fundamental

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.

Example: Chipotle (CMG) Following the announcement in August 2024 that Chipotle’s Chair and CEO Brian Niccol would be stepping down, we engaged with the company. We held discussions with the Head of Investor Relations and Deputy General Counsel to communicate our priorities related to the succession process. Our focus was on supporting an orderly CEO transition that would protect long-term stakeholder value and mitigate key person risk. We encouraged the Board to prioritise leadership attributes such as a focus on people and food quality, a disciplined approach to growth (including expansion into new markets, franchising, and brand investment), and a commitment to preserving Chipotle’s culture and strategic direction. We emphasised the importance of retaining key members of the executive team during this period of change to ensure operational continuity.

In addition, we reiterated our position on the separation of the Chair and CEO roles, welcoming the appointment of an Independent Chair and requesting that this governance structure be maintained. We view separation of these roles as best practice, enhancing accountability and reducing the concentration of power and key person risk, which aligns with our corporate governance principles. Following these verbal engagements, we formalised our position in a letter to the company’s Chief Legal Officer, with copies to the Chair of the Compensation Committee, relevant members of the Board, and Investor Relations. Our letter reiterated our key asks: (1) that the CEO search process carefully consider both internal and external candidates while prioritising continuity of the strategy; (2) that executive retention remain a focus; and (3) that the combined Chair/CEO role not be reinstated under the incoming CEO.

At the recent AGM, we voted for all directors indicating our support for the appointment of the internal candidate for CEO, Scott Boatwright and Scott Maw as Independent Chair. Through company engagement, we confirmed there is no current intention to combine the Chair and CEO roles, this has been discussed at board level. This is inline with our governance principles. We did, however, vote against the company recommendation and for a shareholder proposal regarding an independent Chair to ensure this preferred governance structure remains. From an investment perspective, we have monitored Chipotle’s share price performance closely through this transition.

From the date of the CEO departure announcement in mid-August 2024, Chipotle’s share price rose approximately 7% by 31 December 2024 and outperformed the benchmark MSCI World. We believe this performance reflects investor confidence in the company’s governance approach and succession planning and validates our focus on these ESG factors in both valuation and portfolio construction. Our engagement was designed to promote governance structures that protect long-term value, and the positive realised returns over this period demonstrate the alignment between our ESG considerations and financial outcomes.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (F) We did not verify the information submitted in our PRI report this reporting year

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- (A) Policy, governance and strategy
Select from dropdown list:
 - (1) Data internally audited
 - (2) Processes internally audited
 - (3) Processes and data internally audited
- (C) Listed equity
Select from dropdown list:
 - (1) Data internally audited
 - (2) Processes internally audited
 - (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

Our risk and compliance team test the investment teams adherence to our ESG policies and ESG disclosures.

- ESG scores: risk and compliance confirm that invested securities are actively monitored for ESG risks and opportunities which is reflected in the review of our ESG scores.
- Exclusions: risk and compliance on initiation and annually review compliance with our ESG exclusions.
- Carbon intensity: risk and compliance confirm carbon intensity for the funds. In addition, risk and compliance attest to compliance of our low carbon framework.

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
- (B) Senior executive-level staff, investment committee, head of department, or equivalent
 - Sections of PRI report reviewed
 - (1) the entire report
 - (2) selected sections of the report
- (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year