Macquarie ValueInvest Global Equity Mandates

Sustainability-related disclosure

1. Introduction

Macquarie Investment Management Europe S.A. (MIME SA or the Investment Manager) is part of the Public Investments division of Macquarie Asset Management (MAM). As a MiFID Investment Firm providing portfolio management and investment advice services, MIME SA is subject to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, and each technical implementing measure issued by the Commission thereunder (the Sustainable Finance Disclosure Regulation, or SFDR). Pursuant to the SFDR, MIME SA is obliged to make certain sustainability related disclosures to its clients. This website disclosure is made pursuant to Article 10 of the SFDR.

This disclosure applies to those clients for whom MIME SA provides portfolio management services to with respect to a portfolio of assets (Portfolio) which is managed in accordance with the ValueInvest Global Equity strategy.

2. Summary

The Portfolio promotes environmental and social characteristics and is subject to Article 8 of the SFDR. However, the Portfolio does not have as its objective sustainable investment and does not commit to making Sustainable Investments[1].

The Investment Manager invests on behalf of the Portfolio in publicly listed shares that are aligned with the ten principles of the United Nations Global Compact (the UNGC) and the Investment Manager will manage the Portfolio's investments in line with MAM's commitment to invest and manage its portfolio in line with global net zero emissions by 2040 (the Environmental and Social Characteristics).

The Investment Manager's investment strategy to attain the Environmental and Social Characteristics is comprised of:

- Exclusion screening: The Investment Manager excludes investments in certain activities, sectors and practices that are incompatible with sustainability principles (such as, tobacco companies, companies involved in the production and/or distribution of controversial weapons and companies involved in serious violation of human rights, severe environmental damage, gross corruption, serious violation of individuals' rights in situations of war or conflict).

[1] Under SFDR, 'Sustainable Investment' is defined to mean an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

- **Fundamental analysis:** The Investment Manager incorporates environmental, social and governance (**ESG**) factors, including consideration of compliance with the UNGC principles and various sustainability risk factors, into its fundamental analysis of potential investments in the Portfolio.
- **Net zero commitment:** The Investment Manager will invest and manage the Portfolio's portfolio in line with global net zero emissions by 2040, in support of the goals of the Paris Agreement.
- **Stewardship approach:** The Investment Manager will engage with the management of the investee companies in which the Portfolio invests as a core part of its stewardship practices and a key component of the Portfolio's investment strategy. The Investment Manager uses engagement as a way of improving and promoting the Environmental and Social Characteristics.

The Investment Manager has a policy for assessing the governance practices of potential and actual investee companies, including whether they have sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager uses various sustainability indicators to measure attainment of the Environmental and Social Characteristics. Examples of indicators include greenhouse gas emission reduction targets, environmental initiatives, the presence of certain policies (eg. Human rights policy) and the presence of controversies related to issues spanning human rights, labour rights, and bribery and corruption.

The Investment Manager will invest at least 75% of the Portfolio's investments in investments which are aligned with the Environmental and Social Characteristics. The remaining 25% of investments will comprise of cash and securities which do not exhibit the Environmental and Social Characteristics.

The Environmental and Social Characteristics will be monitored as follows:

1. the exclusion screens are monitored continuously;
2. the investment team undertakes ongoing portfolio monitoring, which includes bi-weekly portfolio alerts as to changes in the ESG ratings/assessments, any controversies, incidents, or breaches of global norms (including respect for human rights, labour compliance and UNGC adherence), engagement with investee companies, measuring sustainability indicators and staying abreast of emerging developments within relevant sectors;
3. the investment risk team will monitor the Portfolio's portfolio to ensure that at least 75% of investments have the Environmental or Social Characteristics;
4. the principal adverse impact indicators are reviewed on a quarterly basis by the investment team and the sustainability team;
5. governance practices of investee companies are reviewed at least quarterly by the investment team and the sustainability team; and
6. the Investment Manager also reviews each investee company ESG profile on an annual basis.

The Investment Manager uses various data sources, both primary, and secondary, to ensure the attainment of the Environmental and Social Characteristics. There are limitations which exist with respect to data and methodologies, for example, the level of company disclosures will vary by factors such as geography, sector, and company size and qualitative assessments may vary by individual data providers. However, the Investment Manager takes steps to reduce the impact of such limitations and they are not expected to significantly impact the Portfolio's ability to attain the Environmental and Social Characteristics.

In addition, the Investment Manager performs due diligence on each issuer, including an assessment of sustainability risks, to ensure that investments demonstrate the Environmental and Social Characteristics.

Any engagement by the Investment Manager with investee companies is exercised in accordance with the MAM Public Investments Global Engagement Policy, whereby the Investment Manager's investment team holds periodic meetings with investee companies to discuss environmental and social issues, among other topics.

3. No Sustainable Investment objective

The Portfolio promotes environmental and/or social characteristics but does not have as its objective Sustainable Investment.

4. Environmental or social characteristics of the financial product

The Investment Manager invests on behalf of the Portfolio in securities which provide exposure to publicly listed global companies and will promote the following environmental and social characteristics:

- UNGC - the Investment Manager will seek to invest in companies aligned with the ten principles of the UNGC, which is an initiative calling for companies to align their strategies and operations with universal principles on human rights, labour, environment, and anti-corruption and to take actions that advance societal goals. The ten principles of the UNGC are:

  Human Rights
  - Businesses should support and respect the protection of internationally proclaimed human rights; and
  - make sure that they are not complicit in human rights abuses.

  Labour
  - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
  - the elimination of all forms of forced and compulsory labour;
  - the effective abolition of child labour; and
  - the elimination of discrimination in respect of employment and occupation

  Environment
  - Businesses should support a precautionary approach to environmental challenges;
  - undertake initiatives to promote greater environmental responsibility; an
  - encourage the development and diffusion of environmentally friendly technologies.

  Anti-corruption
  - Businesses should work against corruption in all its forms, including extortion and bribery.

- Decarbonisation - the Investment Manager will manage the Portfolio in line with the Investment Manager's commitment to invest and manage its portfolio in line with global net zero emissions by 2040.

5. Investment strategy

The Investment Manager's investment strategy to attain the Environmental and Social Characteristics is (i) first, to apply exclusion screens of certain activities, sectors and practices that are incompatible with sustainability principles and (ii) second, to apply further ESG research using fundamental analysis.

The Investment Manager may refine and amend its investment process from time to time to take into account market and regulatory developments.

Exclusion screen

The Investment Manager will first identify companies that do not meet the Portfolio's criteria and will use all reasonable efforts to ensure that the Portfolio does not invest in the following types of company:

(a) tobacco companies (being any company that derives any revenue from the production of tobacco products) and companies which themselves or through entities they control derive 5% or more of their revenue from the distribution of tobacco and tobacco products;

(b) companies involved in the production and/or distribution of controversial weapons, including anti-personal mines, cluster munitions, nuclear weapons, chemical weapons and biological weapons (being any company where publicly available information clearly demonstrates that such company is actively and knowingly involved in the production of such weapons);

(c) companies who, themselves or through entities they control, derive more than 5% of revenue from extracting thermal coal, natural gas, crude oil, uranium, and/or refines thermal coal, natural gas, crude oil, or uranium for fuel or with revenue of more than 30% from the distribution of coal;

(d) energy companies who, themselves or through entities they control, generate power (more than 5%) from fossil fuels such as natural gas, fossil oil and/or uranium; and

(e) companies who themselves or through entities they control derive 5% or more of their revenue from the production or sale of conventional weapons (including small arms and light weapons as well as bombs, shells, rockets, missiles, warships, military aircraft and tanks);

(f) companies involved in serious violation of human rights, severe environmental damage, gross corruption, serious violation of individuals' rights in situations of war or conflict, as well as other particularly serious violations of fundamental ethical norms, as determined by the Investment Manager.

Companies will continuously be reviewed against the foregoing exclusion categories and the Investment Manager will seek to divest from any company that is found to fall within the above categories.

The exclusion screen has the effect of reducing the Portfolio's investible universe by approximately 5-10% based on the market value of investments.

Fundamental analysis

Following the exclusion screen, the Investment Manager will apply further ESG analysis, including consideration of compliance with the UNGC principles and various other sustainability risk factors, into the overall evaluation of all remaining companies in the investment universe using the sustainability indicators, as detailed below. While the Investment Manager makes use of third-party research, the ESG analysis of companies otherwise meeting the Portfolio's criteria is performed in-house and the environmental and social characteristics promoted by any potential investment is analysed by the Investment Manager, who will continuously monitor the portfolio companies to ensure ongoing compliance with the Portfolio's environmental and social criteria.

Net zero commitment

In December 2020, MAM announced its commitment to invest and manage its portfolio in line with global net zero emissions by 2040, in support of the goals of the Paris Agreement. The Investment Manager takes the following actions with respect to the Portfolio to ensure alignment with this commitment: a) the Investment Manager uses internal and external ESG analytical tools to gain insights into the carbon footprints of individual investments and portfolios to enable targeted engagement and proxy voting efforts; b) the Investment Manager engages with portfolio companies to encourage them to set decarbonisation targets for their businesses; and c) the Investment Manager exercises proxy voting rights on behalf of the Portfolio in line with the goals of the Paris Agreement.

Stewardship approach

Engaging with the management of the investee companies in which the Portfolio invests is a core part of the Investment Manager's stewardship practices and a key component of the Portfolio's investment strategy. The Investment Manager uses engagement as a way of improving and promoting the Environmental and Social Characteristics. If any company practices indicate non-adherence to the UNGC, misalignment with the goals of the Paris Agreement or if any practices indicate a serious violation of human rights, severe environmental damage, gross corruption, a serious violation of individuals' rights, insinuations of war or conflict, as well as any other particularly serious violation of fundamental ethical norms, the Investment Manager may choose to engage with the company in question.

A key element of the effective stewardship of public companies is the investors' right to vote on company and shareholder resolutions (often through a proxy). The Investment Manager exercises proxy voting rights in accordance with its proxy voting policy and procedures, which ensure that proxy votes are exercised in the best interests of the Portfolio and with the goal of maximising the value of the Portfolio's investments. Where possible, the Investment Manager will exercise proxy votes in alignment with the Environmental and Social Characteristics.

Good governance policy

The Investment Manager has a policy for assessing the governance practices of potential and actual investee companies, including whether they have sound management structures, employee relations, remuneration of staff and tax compliance. Due diligence is performed as part of the pre-investment fundamental analysis, to ensure investments meet the good governance requirements at the time of investment. On a quarterly basis, the Investment Manager, in conjunction with its sustainability team, reviews the governance practices of investee companies. This is achieved by pulling reports on governance data from third party data providers which are then reviewed and assessed by the Investment Manager and the sustainability team, with any remediation or escalation actions agreed.

Principal adverse sustainability impacts

The Investment Manager takes into account the relevant indicators for adverse impacts in Table 1 of Annex I of the of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing the SFDR with regard to regulatory technical standards specifying the details of the content and presentation of certain information (RTS), having regard to their materiality, in the context of the activities of the investee company and the jurisdiction in which it operates. The Investment Manager collects data, where available and on a best efforts basis, on investments with respect to each relevant indicator and has a process for reviewing the data and identifying mitigation steps that could be taken to reduce adverse impacts. For example, the Investment Manager may use the principal adverse impact data as a basis for prioritising which investee companies to engage with as well as determining focus areas for those engagements. This process is carried out quarterly.

Information on how principal adverse impacts on sustainability factors were considered for this Portfolio will be provided in the Fund's annual report.

6. Proportion of investments

The Investment Manager expects the Portfolio to primarily have direct exposure to investee companies through the purchase of shares in such companies. The Portfolio does not use derivatives.

The Investment Manager does not commit to making Sustainable Investments.

The Investment Manager will invest at least 75% of the Portfolio's investments in investments which are aligned with the Environmental and Social Characteristics (E/S Investments). This percentage is calculated according to the market value of the investments.

Accordingly, the proportion of the Portfolio's investments which are not E/S Investments (Other Investments) will constitute up to 25% of the Portfolio's portfolio. Such Other Investments will include (i) cash and (ii) securities which do not exhibit the Environmental and Social Characteristics.

Other Investments will not contribute to the attainment of the Environmental and Social Characteristics. However, Other Investments which are securities that do not exhibit the Environmental and Social Characteristics will still be subject to environmental and social safeguards implemented via the Investment Manager's investment process, which considers ESG risks and opportunities. Please see the Section below entitled "*Due diligence*" for further details on how the Investment Manager takes into account sustainability risks as part of its investment decision making process. Cash is not subject to any minimum environmental or social safeguards.

7. Monitoring of environmental or social characteristics

The Environmental and Social Characteristics are monitored by:

Exclusion screens

The product-based exclusion screens are monitored continuously via the Investment Manager's electronic portfolio management platform, Aladdin.

Monitoring of portfolio holdings

To assist with assessing adherence to the UNGC principles on an ongoing basis, the Investment Manager monitors the ESG policies, practices and conduct of the companies invested in.

Utilising third-party data and in-house research, every investment is analysed from an ESG-perspective, including business involvement screening, ESG policies and practices, and an assessment of any conduct or practice relating to the principles of the UNGC. The Investment Manager makes use of third-party ESG data mainly from MSCI ESG and Sustainalytics. the Investment Manager may also utilise data from Glass Lewis (Proxy Voting Research), Morningstar (Sustainability indicators), and AlphaSense (Market Intelligence Research Platform).

On a bi-weekly basis, the Investment Manager receives alerts from third-party ESG data providers via e-mail and is notified of any changes in the ESG ratings/assessments, any controversies/incidents, or breaches of global norms, including respect for human rights, labour compliance, and UNGC adherence.

If there is any doubt as to whether a company adheres to the UNGC, or if any practices indicate a violation of a Conduct Based Exclusion, the case is discussed in the investment team and an escalation plan is drafted e.g., engagement, proxy voting or divestment, see further details with respect to these potential actions below.

The Investment Manager also reviews each investee company ESG profile on an annual basis and may decide to take further action such as engagement, reducing holdings or divestment.

E/S Investments

The investment risk team will also monitor the Portfolio's portfolio to ensure that at least 75% of investments have the Environmental or Social Characteristics.

Good Governance

On a quarterly basis, the Investment Manager, in conjunction with the sustainability team, also reviews the governance practices of investee companies, including whether they have sound management and staff remuneration structures, employee relations and tax compliance practices. This is achieved by pulling reports on governance data from MSCI which are then reviewed and assessed by the investment team and the sustainability team, with any remediation or escalation actions agreed.

Principal adverse sustainability impacts

As outlined above in the Section above entitled "*Investment strategy*", on a quarterly basis, the Investment Manager reviews the principal adverse impacts indicators and identifies mitigation steps that could be taken to reduce adverse impacts. For example, the Investment Manager may use the principal adverse impact data as a basis for prioritising which investee companies to engage with as well as determining focus areas for those engagements. The Portfolio will report on outcomes annually.

8. Methodologies

The Investment Manager uses various methodologies to assess, measure and monitor the Environmental and Social Characteristics, as set out below.

Sustainability indicators

The Investment Manager will use the sustainability indicators set out below to measure the attainment of the Environmental and Social Characteristics. Additional sustainability indicators may be used as appropriate depending on the activities or sector of any given investment.

Social characteristics

- Human rights policy, or equivalent, in place;
- No conduct detected which would indicate a violation of the Human Rights principles of the UNGC or the United Nations Guiding Principles on Business and Human Rights;
- Freedom of association policy, or equivalent, in place;
- No conduct detected which would indicate a violation of the International Labour Organization's fundamental set of labour standards
- Company actively works to eliminate forced labour and child labour,
    - Depending on the industry, this could include supply-chain audit, training, etc. As part of the company analysis and ongoing monitoring performed by the Investment Manager, how the investee company actively works to eliminate forced and child labour is determined on a case-by-case basis / as part of the qualitative research performed by the Investment Manager;
- Bribery and anti-corruption, or equivalent, policy in place;
- No conduct detected that is considered serious corruption or bribery.

Environmental characteristics

- Company sets targets to reduce greenhouse gas emissions;
- Company has initiatives in place that show environmental responsibility,
    - Depending on the industry, this could include water consumption reduction initiatives and targets, toxic emission and waste reduction initiatives and targets, etc. As part of the company analysis and ongoing monitoring performed by the Investment Manager, how the investee company shows environmental responsibility is determined on a case-by-case basis as part of the qualitative research performed by the Investment Manager.

Exclusion screens

As mentioned above, the Investment Manager applies exclusion criteria to select investments which promote the Environmental and Social Characteristics described above, notably through Product Based Exclusions and Conduct Based Exclusion screens.

The exclusion criteria enable the Investment Manager to:

a) prohibit investments in excluded products; and
b) monitor the ongoing business activity of companies already invested in (for further details, please see the Section above entitled "*Monitoring of environmental or social characteristics*".

In the management of the Portfolio, the Investment Manager makes use of several sources and methodologies in order to implement its exclusion screens, as follows:

- The investment team makes use of electronic portfolio management and monitoring systems which enable the Investment Manager to exclude companies based on their Global Industry Classification Standard (**GICS**) Sector, industry, and sub-industry, e.g. tobacco. Compliance with the exclusion list is part of the pre-trade compliance.
- As part of the pre-investment research of every potential investee company, the Investment Manager utilises product involvement research from Sustainalytics. The research includes details on how a company is involved in one or more areas as well as the degree of involvement, generally using revenue as a proxy. Relevant corporate actions are also tracked in order to capture changes in involvement that might arise through mergers and acquisitions or spin-offs.
- For Conduct Based Exclusions, the Investment Manager utilises Sustainalytics and MSCI ESG Research as well as in-house research and engagement dialogue to determine which companies should be excluded.

Stewardship

The Investment Manager exercises the Portfolio's rights through proxy voting and it is subject to the MAM Global Proxy Voting Policy. The Investment Manager uses Glass Lewis as Proxy Voting Service and research provider and seeks to proxy vote at all general meetings. As a responsible investor, the Investment Manager takes account of long-term value creation, sustainable business practices, board accountability, and transparent corporate communication and look for board practices and decision-making practices that are in the best interest of the company and that demonstrate alignment with shareholder interest.

If appropriate, the investment team may engage with management teams prior to making an investment in a potential investee company, which may, among other things, provide additional insights into management quality. At the pre-investment stage, engagement is typically performed via direct conversations or meetings with senior management or the investor relations team of investee companies focusing on areas where there is a lack of information available from other sources. During these meetings, the investment team may discuss relevant ESG issues with the management team and incorporate their findings into the overall assessment of the company.

9. Data sources and processing

The Investment Manager uses various data sources in order to attain the Environmental and Social Characteristics, including the following:

- Primary – company website, company disclosures, reports, and policies, as well as insights from company engagement dialogue
- Secondary – media, publicly available information, third party research, opinions and databases, NGOs, the United Nations and ESG data providers such as Sustainalytics, MSCI and Alphasense

The Investment Manager seeks to ensure data quality by using market-leading providers of sustainability information, by obtaining information directly from companies where possible, and in certain instances, cross-checking data against direct company reports.

The Investment Manager is in regular contact with data providers and receives updates in relation to their methodologies along with periodic webinars that provide additional insights. In some instances, data providers will publish their methodology for assessing companies' practices. The Investment Manager will consider the robustness of the methodologies underlying the data sources when considering whether to utilise each data source in its investment process and, if so, the weight to be given to it. Where an issuer is a participant of any ESG-related industry initiative, the Investment Manager may consider the criteria for participating in such initiative.

Data is processed using the team's proprietary investment process as described in the Sections entitled "*Investment Strategy*" and "*Due diligence*".

The Investment Manager may utilise estimated data to attain the Environmental and Social Characteristics where reported data is not available.

10. Limitations to methodologies and data

Limitations to the methodologies and data described above relate to the timeliness of data availability, the comparability and availability of data across different reporting periods and access to key management personnel at investee companies. The level of company disclosures will vary by factors such as geography, sector, and company size and qualitative assessments may vary by individual providers. Because of these limitations, the Investment Manager undertakes a thorough due diligence process to assess company practices.

The Investment Manager believes that these limitations are not significant and do not affect the attainment of the Environmental and Social Characteristics.

11. Due diligence

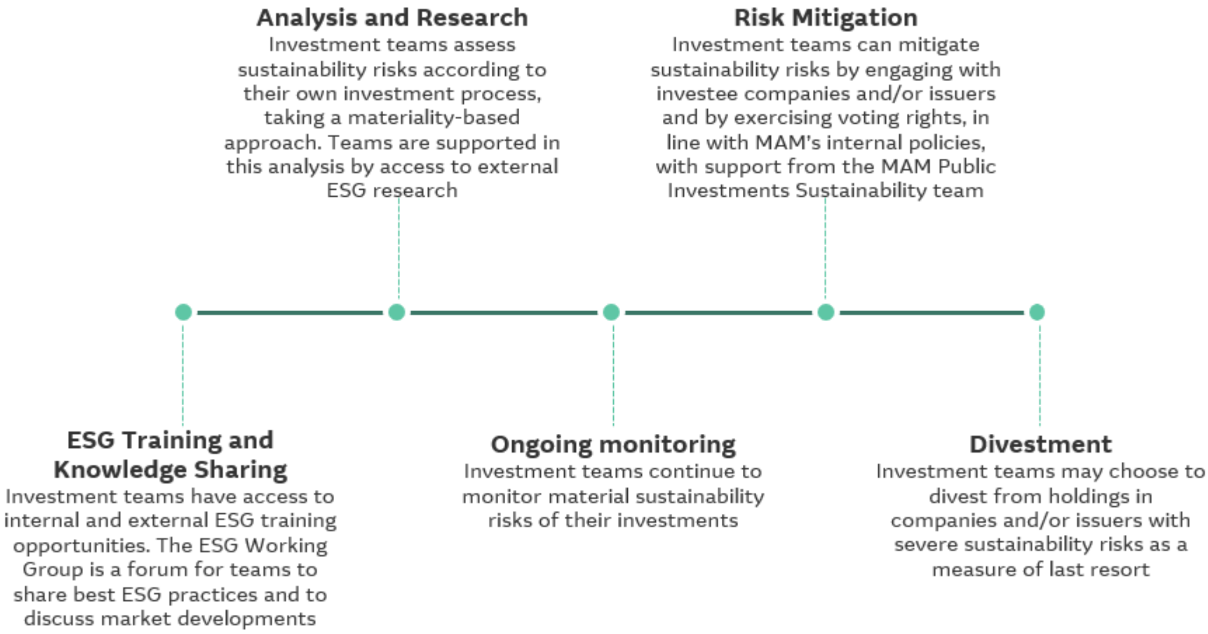
Portfolio construction

As part of the investment process, the Investment Manager considers ESG factors that could have a significant impact on portfolio returns and the Environmental and Social Characteristics, including the principles set out by the UNGC. Each company's analysed ESG profile influences whether the stock will be included in the Portfolio as well as the size of the allocation.

Sustainability Risks

Sustainability Risks[2] are integrated into the investment decisions of the Investment Manager for the Portfolio and will be taken into account throughout the investment process in accordance with the Investment Manager's ESG framework as illustrated below.

[2] As defined under SFDR, 'Sustainability Risks' are Environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment



The investment team is supported in its application of the ESG framework by the Investment Manager's dedicated sustainability team. The sustainability team is responsible for setting the overall MAM sustainability strategy and ESG framework and providing specialist expertise on Sustainability Risks.

Inherent to the investment team's identification and assessment of securities is an in-depth analysis of economic, competitive, and other factors that may influence future revenues and earnings of the issuer of the securities. Sustainability risks that have been identified as material are included as part of this analysis.

12. Engagement Policies

If data indicates that a company's practices may not adhere to the UNGC, or suggest a possible serious violation of human rights, severe environmental damage, gross corruption, a serious violation of individuals' rights in situations of war or conflict, as well as any other particularly serious violation of fundamental ethical norms, the investment team may choose to engage with the company in question to verify whether such controversies have in fact taken place. The Investment Manager has a maximum engagement period of 24 months to engage on the topic. If the company is found to be in breach of the Portfolio's exclusion criteria, the Investment Manager will divest.

In general, the Investment Manager seeks to motivate companies to implement positive changes and improve company practices over time. This includes engaging with companies in the following ways:

- Thematic engagements
    - focusing on ESG issues constituting the most material impact to our holdings
- Event-driven engagements
    - driven by an ESG-related incident or controversy
- Collaborative engagements
    - collaborating with other investors on aligned goals
- Proxy voting engagements
    - engaging with and notifying boards and/or management of proxy voting motivations, votes against management, and policies

Engagement subjects are identified by monitoring the companies invested in and identifying practices that need improvement, controversies or issues that need to be addressed, or by wanting to work with companies to improve certain ESG standards that are relevant to their industry/sector.

The engagements are hence proactive, ensuring that ESG issues addressed in a preventative manner as well as reactive, addressing issues that may have already occurred.

Engagements are carried out as a collaboration between the investment team, contributing in-depth knowledge of the company and sector/industry it operates in, and the ESG Team, contributing knowledge on the topic of engagement. The ESG Team coordinates the company dialogue and reports on engagement objectives and results. Whether the engagement objectives are met, and any further cause of action is initiated, is a joint decision of the investment team.

The Investment Manager records company dialogue according to the goals set out for the engagement. Engagement objectives and goals are documented prior to initiating an activity and any progress is stored and shared with the entire investment team.

As a measure of last resort, the Investment Manager will divest from a company in circumstances where engagement efforts have not been effective. In such circumstances where the Investment Manager decides to divest, it will take reasonable steps to mitigate any impact on the value of the Portfolio.

All engagement activities are carried out in accordance with MAM's Global Engagement Policy.