



**PUBLIC RI REPORT**

**2021 PILOT**

**Macquarie Asset Management**

**Generated 2022-08-18**

# About this report

The PRI Reporting Framework helps to build a common language and industry standard for reporting responsible investment activities. **Public RI Reports** provide accountability and transparency on signatories' responsible investment activities and support dialogue within signatories' organisations, as well as with their clients, beneficiaries and other stakeholders.

This **Public RI Report** is an export of the signatory's responses to the PRI Reporting Framework during the 2021 reporting period. It includes the signatory's responses to mandatory indicators, as well as responses to voluntary indicators that the signatory has agreed to make public.

The information is presented exactly as it was reported. Where an indicator offered a multiple-choice response, all options that were available to select from are included for context. While presenting the information verbatim results in lengthy reports, the approach is informed by signatory feedback that signatories prefer that the PRI does not summarise the information.

## Context

In consultation with signatories, between 2018 and 2020 the PRI extensively reviewed the Reporting and Assessment processes and set the ambitious objective of launching in 2021 a completely new investor Reporting Framework, together with a new reporting tool.

We ran the new investor Reporting and Assessment process as a pilot in its first year, and such process included providing additional opportunities for signatories to provide feedback on the Reporting Framework, the online reporting tool and the resulting reports. The feedback from this pilot phase has been, and is continuing to be analysed, in order to identify any improvements that can be included in future reporting cycles.

## PRI disclaimer

This document presents information reported directly by signatories in the 2021 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

### Our commitment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S1	CORE	N/A	N/A	PUBLIC	Our commitment	GENERAL

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment?
- What are the main differences between your organisation's approach to responsible investment in its ESG practice and in other practices, across asset classes?

Macquarie Group is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities. Macquarie Asset Management (MAM) is one of Macquarie Group's four operating groups.

MAM is a leading specialist global asset manager, offering a diverse range of products. As at 30 September 2020, MAM comprised the following two divisions: Macquarie Infrastructure and Real Assets (MIRA): a leader in alternative asset management worldwide, specialising in infrastructure, renewables, real estate, agriculture, transportation finance and other sectors; Macquarie Investment Management (MIM): a global active manager with offices in the US, Europe, Asia, and Australia. Its conviction-based, long-term approach provides investment solutions across a variety of equity, fixed income, multi-asset, and specialty asset classes.

MAM's divisions were reorganised with effect from 1 April 2021, however for clarity throughout this submission we have retained the division names in place at the reporting date of 30 September 2020: MIRA, for MAM's private markets businesses, and MIM, for MAM's public markets businesses.

In MIRA, managing our portfolio for sustainable, long-term success is part of our broader responsibility to investors, the businesses in which MIRA invests and the communities in which they operate. MIRA believes the achievement of this contributes to the long-term profitability and durability of these businesses. MIRA's ESG Policy provides a robust framework for the consideration of ESG risks and opportunities into its business activities and requires the identification and management of ESG risks throughout the investment lifecycle. Environmental, social and governance ("ESG") considerations are embedded within MIRA's investment decision-making approach and asset management frameworks, through which MIRA encourages portfolio companies and asset managers to assess and improve performance on ESG matters.

Across MIM, we believe that well-managed companies will deliver long-term shareholder value and therefore, that it is important for a company to have high-quality risk management and governance with appropriate supervision through balanced controls. MIM's ESG Policy provides a framework for incorporating consideration of ESG risks and opportunities into investment decision-making process and providing investment advice across MIM. Within MIM, our teams invest with long-term horizons and seek to minimise risk and maximise returns based on the investment objectives of our clients. We recognise that ESG factors are important for assessing investment risk and that positive ESG performance may be a potential indicator of management quality, operational performance, and the potential to create long-term value.

## Annual overview

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S2	CORE	N/A	N/A	PUBLIC	Annual overview	GENERAL

- 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. This might involve e.g. outlining your single most important achievement, or describing your general progress, on topics such as the following:
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policy makers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

Climate change has been an important consideration for Macquarie Asset Management (MAM) for some time. The businesses in which we invest will, to a greater or lesser extent, face physical and/or transition risks associated with climate change; climate change also provides us with the opportunity to invest in solutions such as renewable energy and to support business strategies to decarbonise and to become more resilient.

During 2020 MAM took significant steps in relation to climate change, culminating in our commitment in December 2020 to invest and manage our portfolio in line with global net zero by 2040, a decade ahead of the Paris Agreement deadline. More detail on this commitment may be found here: <https://www.macquarie.com/au/en/about/news/2020/addressing-climate-change-and-accelerating-the-low-carbon-transition.html>

MAM also became a signatory to Climate Action 100+, and actively participated in collaborative engagements during the reporting period where we encouraged the largest corporate greenhouse gas emitters to take necessary action on climate change. We will be taking on a co-leadership role for engagement over the coming year.

In our private markets infrastructure business we launched a programme to understand and reduce the greenhouse gas (GHG) footprints of our portfolio companies. In addition to collecting data from across the portfolio we implemented our Australian decarbonisation project, through which a number of our Australian businesses set targets for emissions reduction and identified strategic initiatives to meet those targets. This initiative served as a pilot for our broader 2040 net zero commitment.

More broadly we continued to actively encourage and support assets to decarbonise, with a number of examples, both completed and planned, of improving energy efficiency and transitioning energy from traditional sources to renewable to other cleaner sources.

MAM also released its inaugural Sustainability Report covering its private markets infrastructure business – setting out our philosophy and approach as well as showcasing sustainability initiatives at our investee businesses. It also sets out details of our Australian decarbonisation project and the progress made by the investments participating in this initiative. The Infrastructure Sustainability Report may be found here: <https://www.mirafunds.com/assets/mira/our-approach/sustainability/infrastructure-sustainability-report-centre-line.pdf>.

## Next steps

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S3	CORE	N/A	N/A	PUBLIC	Next steps	GENERAL

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

We set out specific steps to be taken over the next two years as part of our net zero commitment. Already underway, for businesses where MAM has control or significant influence these include measuring current emissions and identifying pathways to reduce emissions in line with a net zero economy by 2040. In our managed portfolios of public securities and alternative investments where MAM does not have significant influence, we will support the goals of the Paris Agreement in a manner consistent with our client-guided fiduciary and regulatory responsibilities. We will provide a progress update in our Sustainability Report, which will be released in 2021.

## Endorsement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S4	CORE	N/A	N/A	PUBLIC	Endorsement	GENERAL

**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 Ben Way

Position Head of Macquarie Asset Management

Organisation's name Macquarie Asset Management

● This endorsement is for the Senior Leadership Statement only and is not an endorsement of the information reported by Macquarie Asset Management in the various modules of the Reporting Framework. The Senior Leadership Statement is simply provided as a general overview of Macquarie Asset Management's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such, and 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.

# Organisational Overview (OO)

## Organisational information

### Categorisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	Signatory category	Multiple, see guidance	PUBLIC	Categorisation	GENERAL

Select the type that best describes your organisation or the services you provide.

- (O) Fund management (1) This is our only (or primary) type
- 
- (P) Fund of funds, manager of managers or sub-advised products (2) This is an additional (secondary) type
- 

### 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 that are also PRI signatories in their own right?

- (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

List your subsidiaries that are separate PRI signatories.

(A) Signatory name:

Macquarie Investment Management Europe S.A.

(B) Signatory name:

(C) Signatory name:

(D) Signatory name:

(E) Signatory name:

(F) Signatory name:

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

Indicate if you would like to report the responsible investment activities of your subsidiaries that are separate PRI signatories in this submission.

(1) Responsible investment activities of this subsidiary and PRI signatory will be included in this report submission

(2) Responsible investment activities of this subsidiary and PRI signatory will be included in their own report submission

(A) Signatory name



## Reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 3	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

Indicate the year-end date for your reporting year.

	Month	Day	Year
Reporting year end date:	September	30	2020

## Assets under management

### All asset classes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 4.1, OO 4.2	N/A	PUBLIC	All asset classes	GENERAL

What were your total assets under management (AUM) at the end of the indicated reporting year? Provide the amount in USD.

(A) AUM of your organisation, including subsidiaries US\$ 397,417,426,752.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only US\$ 0.00

## Asset breakdown

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

Provide a percentage breakdown of your total assets under management at the end of your indicated reporting year.

### Percentage of AUM

- |                               |        |
|-------------------------------|--------|
| (A) Listed equity – internal  | 10-50% |
| (B) Listed equity – external  | 0-10%  |
| (C) Fixed income – internal   | 10-50% |
| (D) Fixed income – external   | 0.0%   |
| (E) Private equity – internal | 0.0%   |
| (F) Private equity – external | 0.0%   |
| (G) Real estate – internal    | 0-10%  |
| (H) Real estate – external    | 0.0%   |
| (I) Infrastructure – internal | 10-50% |
| (J) Infrastructure – external | 0.0%   |
| (K) Hedge funds – internal    | 0.0%   |
| (L) Hedge funds – external    | 0.0%   |
| (M) Forestry – internal       | 0.0%   |
| (N) Forestry – external       | 0.0%   |
| (O) Farmland – internal       | 0.0%   |

(P) Farmland – external	0.0%
(Q) Other – internal, please specify:	0-10%
Cash and other	
(R) Other – external, please specify:	0.0%
(S) Off-balance sheet – internal	0.0%
(T) Off-balance sheet – external	0.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple, see guidance	PUBLIC	Asset breakdown	GENERAL

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

(1) Listed equity	
(A) Segregated mandate(s)	0-10%
(B) Pooled fund(s) or pooled investment(s)	>75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 5.2 LE	CORE	OO 5, OO 5.1	Multiple, see guidance	PUBLIC	Asset breakdown	GENERAL
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**Provide a further breakdown of your listed equity assets.**

	(A) Internal allocation	(B) External allocation – segregated	(C) External allocation – pooled
(1) Passive equity	0-10%	0.0%	0.0%
(2) Active – quantitative	0.0%	0.0%	0.0%
(3) Active – fundamental	>75%	>75%	>75%
(4) Investment trusts (REITs and similar publicly quoted vehicles)	0.0%	0.0%	0.0%
(5) Other, please specify:	0.0%	0.0%	0.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 5.2 FI	CORE	OO 5, OO 5.1	Multiple, see guidance	PUBLIC	Asset breakdown	GENERAL
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**Provide a further breakdown of your fixed income assets.**

	(A) Internal allocation
(1) Passive – SSA	0.0%
(2) Passive – corporate	0.0%
(3) Passive – securitised	0.0%
(4) Active – SSA	10-50%

(5) Active – corporate	10-50%
(6) Active – securitised	0-10%
(7) Private debt	10-50%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2 RE	CORE	OO 5, OO 5.1	N/A	PUBLIC	Asset breakdown	GENERAL

**Provide a further breakdown of your real estate assets.**

**(A) Internal allocation**

(1) Retail	10-50%
(2) Office	10-50%
(3) Industrial	10-50%
(4) Residential	0-10%
(5) Hotel	0.0%
(6) Lodging, leisure and recreation	0.0%
(7) Education	0.0%
(8) Technology/science	0.0%
(9) Healthcare	0.0%
(10) Mixed use	10-50%
(11) Other, please specify:	0-10%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2 INF	CORE	OO 5, OO 5.1	N/A	PUBLIC	Asset breakdown	GENERAL

**Provide a further breakdown of your infrastructure assets.**

**(A) Internal allocation**

(1) Data infrastructure 10-50%

(2) Energy and water resources 0-10%

(3) Environmental services 0-10%

(4) Network utilities 10-50%

(5) Power generation (excl. renewables) 0-10%

(6) Renewable power 10-50%

(7) Social infrastructure 0.0%

(8) Transport 10-50%

(9) Other, please specify: 10-50%

# ESG strategies

## Listed equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 LE	CORE	OO 5.2 LE	OO 6.1 LE, LE 13	PUBLIC	Listed equity	1

Which ESG incorporation strategy and/or combination of strategies do you apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity:

- |                                   |      |
|-----------------------------------|------|
| (A) Screening alone               | 0.0% |
| (B) Thematic alone                | 0.0% |
| (C) Integration alone             | >75% |
| (D) Screening and integration     | 0.0% |
| (E) Thematic and integration      | 0.0% |
| (F) Screening and thematic        | 0.0% |
| (G) All three strategies combined | 0.0% |
| (H) None                          | 0.0% |

## Fixed income

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 FI	CORE	OO 5.2 FI	Multiple, see guidance	PUBLIC	Fixed income	1
<b>Which ESG incorporation strategy and/or combination of strategies do you apply to your internally managed active fixed income?</b>						
		(1) Fixed income – SSA	(2) Fixed income – corporate	(3) Fixed income – securitised		
(A) Screening alone		0.0%	0.0%	0.0%		
(B) Thematic alone		0.0%	0.0%	0.0%		
(C) Integration alone		>75%	>75%	>75%		
(D) Screening and integration		0.0%	0.0%	0.0%		
(E) Thematic and integration		0.0%	0.0%	0.0%		
(F) Screening and thematic		0.0%	0.0%	0.0%		
(G) All three strategies combined		0.0%	0.0%	0.0%		
(H) None		0.0%	0.0%	0.0%		

## Externally managed assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 SAM	CORE	OO 5.2 LE, OO 5.2 FI	OO 6.1 SAM	PUBLIC	Externally managed assets	1

Which ESG incorporation strategy and/or combination of strategies apply to your externally managed active listed equity and fixed income?

### (1) Listed equity - external

- (A) Screening alone 0.0%
- (B) Thematic alone 0.0%
- (C) Integration alone >75%
- (D) Screening and integration 0.0%
- (E) Thematic and integration 0.0%
- (F) Screening and thematic 0.0%
- (G) All three strategies combined 0.0%
- (H) None 0.0%

# Externally managed assets

## Captive relationships

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	OO 5	Multiple, see guidance	PUBLIC	Captive relationships	GENERAL

Does your organisation have a captive relationship with some or all of its external investment managers?

- (A) Yes
- (B) No

## Investment consultants

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	OO 5	SAM 1	PUBLIC	Investment consultants	GENERAL

Does your organisation engage investment consultants in the selection, appointment or monitoring of your external investment managers?

- (A) Yes
- (B) No

# Stewardship

## Listed equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 LE	CORE	OO 5, OO 5.2 LE	Multiple, see guidance	PUBLIC	Listed equity	2

Does your organisation conduct stewardship activities for your listed equity assets?

	(1) Engagement on listed equity – active	(2) Engagement on listed equity – passive	(3) (Proxy) voting on listed equity – active	(4) (Proxy) voting on listed equity – passive
(A) Through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Collaboratively	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We did not conduct this stewardship activity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Fixed income

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 FI	CORE	OO 5, OO 5.2 FI	Multiple, see guidance	PUBLIC	Fixed income	2

Does your organisation conduct stewardship activities for your fixed income assets?

	(4) Active – SSA	(5) Active – corporate	(6) Active – securitised	(7) Private debt
(A) Through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Collaboratively	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We did not conduct this stewardship activity for this strategy/asset type	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Private equity, real estate and infrastructure

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 ALT	CORE	OO 5	Multiple, see guidance	PUBLIC	Private equity, real estate and infrastructure	2

Does your organisation conduct stewardship activities in the following asset classes?

	(2) Real estate	(3) Infrastructure
(A) Through service providers	<input type="checkbox"/>	<input type="checkbox"/>
(C) Through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Collaboratively	<input type="checkbox"/>	<input type="checkbox"/>

(E) We did not conduct stewardship activities for this asset class

# ESG incorporation

## Internally managed assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Internally managed assets	1

For each internally managed asset class, select whether or not you incorporate ESG into your investment decisions.

(1) ESG incorporated into investment decisions

(2) ESG not incorporated into investment decisions

(A) Listed equity – passive

(C) Listed equity – active – fundamental

(F) Fixed income – SSA

(G) Fixed income – corporate

(H) Fixed income – securitised

(I) Fixed income – private debt

(K) Real estate

(L) Infrastructure

(W) Other [as specified]

## External manager selection

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	External manager selection	1

For each externally managed asset class, select whether or not you incorporate ESG into external manager selection. Your response should refer to the selection of the external managers who managed the relevant asset classes during the reporting year, regardless of when such selection took place.

- (1) ESG incorporated into external manager selection      (2) ESG not incorporated into external manager selection

(B) Listed equity – active



## External manager appointment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	External manager appointment	1

For each externally managed asset class, select whether or not you incorporate ESG into external manager appointment. Your response should refer to the appointment of the external managers who managed the relevant asset classes during the reporting year, regardless of when their appointment took place.

- (1) ESG incorporated into external manager appointment      (2) ESG not incorporated into external manager appointment

(B) Listed equity – active



## External manager monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	External manager monitoring	1

For each externally managed asset class, select whether or not you incorporated ESG into external manager monitoring during the reporting year.

(1) ESG incorporated into external manager monitoring      (2) ESG not incorporated into external manager monitoring

(B) Listed equity – active



## Voluntary reporting

### Voluntary modules

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Voluntary modules	GENERAL

The following modules are mandatory to report on as they account for 10% or more of your total AUM or are over USD 10 billion. The ISP (Investment and Stewardship Policy) module is always applicable for reporting.

(1) Yes, report on the module

ISP: Investment and Stewardship Policy



(A) Listed equity



(B) Fixed income – SSA



- (C) Fixed income – corporate
- 
- (D) Fixed income – securitised
- 
- (E) Fixed income – private debt
- 
- (G) Real estate
- 
- (H) Infrastructure
- 
- (J) External manager selection,  
appointment and monitoring  
(SAM) – listed equity

## ESG/sustainability funds and products

### Labelling and marketing

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Labelling and marketing	GENERAL

What percentage of your assets under management in each asset class are ESG/sustainability marketed funds or products, and/or ESG/RI certified or labelled assets? Percentage figures can be rounded to the nearest 5% and should combine internally and externally managed assets.

Percentage	
(A) Listed equity – passive	0.0%
(B) Listed equity – active	0.0%
(D) Fixed income – active	0.0%
(F) Real estate	0-25%
(G) Infrastructure	0-25%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16.1	CORE	OO 16	ISP 52	PUBLIC	Labelling and marketing	GENERAL

What percentage of your total assets (per asset class) carry a formal ESG/RI certification or label? Percentage figures can be rounded to the nearest 5%.

**Coverage of ESG/RI certification or label:**

(D) Real estate                    0-25%

(E) Infrastructure                    0-25%

## Climate investments

### Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17	CORE	N/A	N/A	PUBLIC	Asset breakdown	GENERAL

What percentage of your assets under management is in targeted low-carbon or climate-resilient investments?

0-25%

# Other asset breakdowns

## Geographical breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL
What is the geographical breakdown of your organisation's assets under management by investment destination (i.e. where the investments are located)?						
		(1) Listed equity	(2) Fixed income – SSA	(3) Fixed income – corporate	(4) Fixed income – securitised	
(A) Developed		>75%	>75%	>75%	>75%	
(B) Emerging		0.0%	0-25%	0-25%	0.0%	
(C) Frontier		0.0%	0-25%	0.0%	0.0%	
(D) Other		0.0%	0-25%	0-25%	0-25%	
		(5) Fixed income – private debt	(7) Real estate	(8) Infrastructure		
(A) Developed		>75%	50-75%	>75%		
(B) Emerging		0.0%	25-50%	0-25%		
(C) Frontier		0.0%	0-25%	0.0%		
(D) Other		0.0%	0.0%	0-25%		

## Management by PRI signatories

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What approximate percentage (+/-5%) of your externally managed assets are managed by PRI signatories?

>75%

## Fixed income constraints

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 5.2 FI	OO 20.1	PUBLIC	Fixed income constraints	GENERAL

What percentage of your fixed income assets are subject to constraints? The constraints may be regulatory requirements, credit quality restrictions, currency constraints or similar.

Internal and external fixed income assets subject to constraints

- 
- (A) Fixed income – SSA                          >75%
- 
- (B) Fixed income – corporate                          >75%
- 
- (C) Fixed income – securitised                          >75%
- 
- (D) Fixed income – private debt                          >75%
-

## Real estate: Building type

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 24	CORE	OO 5	RE 1, RE 9, RE 10	PUBLIC	Real estate: Building type	GENERAL

What is the percentage breakdown of your direct physical real estate assets by strategy?

Percentage total of direct physical real estate AUM

- |                          |       |
|--------------------------|-------|
| (A) Standing investments | >75%  |
| (B) New construction     | 0-25% |
| (C) Major renovation     | 0.0%  |

## Infrastructure: Strategy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 30	CORE	OO 5	N/A	PUBLIC	Infrastructure: Strategy	GENERAL

What is the percentage breakdown of your organisation's internally managed infrastructure assets by investment strategy?

Percentage of total internally managed infrastructure AUM

- |                   |       |
|-------------------|-------|
| (A) Core          | >75%  |
| (B) Value added   | 0-25% |
| (C) Opportunistic | 0-25% |

## Infrastructure: Type of asset

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 31	CORE	OO 5	INF 1	PUBLIC	Infrastructure: Type of asset	GENERAL

What is the percentage breakdown of your infrastructure assets by strategy?

Percentage of total internally managed infrastructure AUM

(A) Standing investments/operating assets >75%

(B) New construction 0.0%

(C) Major renovation 0.0%

## Context and explanation

### ESG not incorporated

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 35	CORE	Multiple, see guidance	N/A	PUBLIC	ESG not incorporated	1, 2

Describe why you currently do not incorporate ESG into your assets and/or why you currently do not conduct stewardship.

#### Description

(M) Internally managed: Other  
The majority of the 4% of MAM AUM reported under category "(Q) Other – internal: Cash and other" is cash, to which incorporation of ESG is not applicable. ESG incorporation is applicable to the very small amount of AUM represented by non-cash diversified investments included in this category.

# Investment and Stewardship Policy (ISP)

## Responsible investment policy & governance

### Responsible investment policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1	CORE	N/A	ISP 1.1, ISP 1.2	PUBLIC	Responsible investment policy	1

Does your organisation have a formal policy or policies covering your approach to responsible investment? Your approach to responsible investment may be set out in a standalone guideline, covered in multiple standalone guidelines or be part of a broader investment policy. Your policy may cover various responsible investment elements such as stewardship, ESG guidelines, sustainability outcomes, specific climate-related guidelines, RI governance and similar.

- (A) Yes, we do have a policy covering our approach to responsible investment
- (B) No, we do not have a policy covering our approach to responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.1	CORE	ISP 1	Multiple, see guidance	PUBLIC	Responsible investment policy	1

What elements does your responsible investment policy cover? The responsible investment elements may be set out in one or multiple standalone guidelines, or they may be part of a broader investment policy.

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Approach to stewardship
- (F) Approach to sustainability outcomes
- (G) Approach to exclusions
- (H) Asset class-specific guidelines that describe how ESG incorporation is implemented
- (I) Definition of responsible investment and how it relates to our fiduciary duty
- (J) Definition of responsible investment and how it relates to our investment objectives
- (K) Responsible investment governance structure

- (L) Internal reporting and verification related to responsible investment
- (M) External reporting related to responsible investment
- (N) Managing conflicts of interest related to responsible investment
- (O) Other responsible investment aspects not listed here, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.2	PLUS	ISP 1	N/A	PUBLIC	Responsible investment policy	1

**What mechanisms do you have in place to ensure that your policies are implemented in an aligned and consistent way across the organisation?**

MIRA has dedicated risk and sustainability teams which are responsible for setting and implementing the ESG incorporation strategy and framework. The MIRA risk team is responsible for ensuring all operational risks, including ESG risks, are identified and managed. Reporting to the MAM Chief Risk Officer, the team is independent of MIRA's portfolio management functions and is supported by specialist expertise within MIRA, including the MIRA sustainability team, and Macquarie's risk management group (RMG). The MIRA sustainability team, located across offices in the US, Europe and Australia, is responsible for setting MIRA's overall sustainability strategy and ESG framework, providing specialist expertise on environmental and certain social issues, and supporting asset management teams in harnessing ESG opportunities across the portfolio.

MIRA's ESG policies, procedures and resources are embedded within MIRA's proprietary active asset management platform, System 7, which serves as a centralised global repository of minimum standards and resources used by transaction teams and asset management teams throughout the investment lifecycle.

Both MIRA's risk and sustainability teams, along with RMG, provide guidance, assistance, materials, tools and training (including in partnership with external consultants) to staff. Training includes both mandatory training on topics such as directors' duties, health and safety, anti-bribery and corruption, conduct risk and information security and regular practical training to assist staff in performing their roles, as well as, specific training on the relevance and importance of ESG considerations in investment activities.

Within MIM, ESG analysis is embedded with investment team decision-makers and supported by centralised resources. MIM's independent investment teams are supported by an ESG oversight committee comprising 35 representatives from across the business that share ESG best practices throughout the firm. MIM's investment teams also have access to ESG research from external research providers and internally generated sources that guide analysis and decision-making in respect of ESG matters.

Macquarie's internal audit team performs periodic reviews of MAM's ESG practices to confirm policies are consistently implemented.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 2	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	6

Indicate which of your responsible investment policy elements are publicly available and provide links.

**(A) Overall approach to responsible investment. Add link(s):**

[https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary\\_97\\_2003.pdf](https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary_97_2003.pdf);  
<https://www.mirafunds.com/au/en/our-approach/sustainability.html>;  
<https://www.macquarie.com/assets/macq/about/disclosures/sustainable-finance-disclosure-regulation-mira.pdf>;  
<https://www.macquarie.com/assets/macq/about/disclosures/sustainable-finance-disclosure-regulation-mim.pdf>

**(B) Guidelines on environmental factors. Add link(s):**

[https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary\\_97\\_2003.pdf](https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary_97_2003.pdf)

**(C) Guidelines on social factors. Add link(s):**

[https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary\\_97\\_2003.pdf](https://www.macquarie.com/assets/macq/impact/esg/policies/esr-policy-summary_97_2003.pdf)

**(D) Guidelines on governance factors. Add link(s):**

<https://www.macquarie.com/au/en/about/company/environmental-social-and-governance.html>

**(E) Approach to stewardship. Add link(s):**

<https://www.mirafunds.com/au/en.html>; <https://www.macquarieim.com/investments/solutions/esg>;  
<https://www.macquarie.com/assets/macq/about/disclosures/mim-engagement-policy.pdf>;  
<https://www.delawarefunds.com/account/proxy-voting-information>

**(G) Approach to exclusions. Add link(s):**

<https://www.macquarie.com/assets/macq/about/disclosures/sustainable-finance-disclosure-regulation-mira.pdf>

(H) Asset class-specific guidelines that describe how ESG incorporation is implemented. Add link(s):

**(I) Definition of responsible investment and how it relates to our fiduciary duty. Add link(s):**

<https://www.macquarieim.com/investments/solutions/esg>; <https://www.macquarie.com/assets/macq/about/disclosures/sustainable-finance-disclosure-regulation-mira.pdf>; <https://www.mirafunds.com/au/en/our-approach/sustainability.html>

**(J) Definition of responsible investment and how it relates to our investment objectives. Add link(s):**

[https://static.macquarie.com/dafiles/Internet/mgl/global/shared/about/company-profile/esg/esr-policy-summary\\_97\\_2003.pdf?v=8](https://static.macquarie.com/dafiles/Internet/mgl/global/shared/about/company-profile/esg/esr-policy-summary_97_2003.pdf?v=8)

**(K) Responsible investment governance structure. Add link(s):**

<https://www.macquarie.com/au/en/about/company/corporate-governance.html>;  
<https://www.macquarie.com/assets/macq/impact/esg/policies/Environmental%20and%20Social%20Risk%20Policy.pdf>

**(L) Internal reporting and verification related to responsible investment. Add link(s):**

<https://www.macquarieim.com/investments/solutions/esg>;  
<https://www.macquarie.com/assets/macq/impact/esg/policies/Environmental%20and%20Social%20Risk%20Policy.pdf>;  
<https://www.mirafunds.com/assets/mira/our-approach/sustainability/infrastructure-sustainability-report-centre-line.pdf>

(M) External reporting related to responsible investment. Add link(s):

<https://www.macquarieim.com/investments/solutions/esg>; <https://www.macquarie.com/assets/macq/investor/reports/2020/Macquarie-Group-FY20-Annual-Report.pdf>; <https://www.mirafunds.com/assets/mira/our-approach/sustainability/infrastructure-sustainability-report-centre-line.pdf>; <https://www.mirafunds.com/au/en/our-approach/sustainability.html>

(N) Managing conflicts of interest related to responsible investment. Add link(s):

[http://vds.issproxy.com/59/policies/Proxy%20Voting%20Policies%20for%20DIFF%20\\_%20ISS%20Web%20Page%20\(Aug%2019\).pdf](http://vds.issproxy.com/59/policies/Proxy%20Voting%20Policies%20for%20DIFF%20_%20ISS%20Web%20Page%20(Aug%2019).pdf);  
<https://www.macquarie.com/assets/macq/impact/esg/policies/Code%20of%20conduct.pdf>

(P) Our responsible investment policy elements are not publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 3	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your policy elements on overall approach to responsible investment and/or guidelines on environmental, social and governance factors?

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

AUM coverage of all policy elements in total:

>75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 4	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

**Which elements does your exclusion policy include?**

- (A) Legally required exclusions (e.g. those required by domestic/international law, bans, treaties or embargoes)
- (B) Exclusions based on our organisation's values or beliefs (e.g. regarding weapons, alcohol, tobacco and/or avoiding other particular sectors, products, services or regions)
- (C) Exclusions based on screening against minimum standards of business practice based on international norms (e.g. OECD guidelines, the UN Human Rights Declaration, Security Council sanctions or the UN Global Compact)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 5	CORE	Multiple, see guidance	N/A	PUBLIC	Responsible investment policy	1

**What percentage of your total assets under management are covered by your asset class-specific guidelines that describe how ESG incorporation is implemented?**

**AUM Coverage:**

- 
- |                    |      |
|--------------------|------|
| (A) Listed Equity  | >75% |
| (B) Fixed Income   | >75% |
| (D) Real Estate    | >75% |
| (E) Infrastructure | >75% |
-

## Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 6	CORE	N/A	ISP 8	PUBLIC	Governance	1

Do your organisation's board, chief-level staff, investment committee and/or head of department have formal oversight and accountability for responsible investment?

- (A) Board and/or trustees
- (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- (C) Investment committee
- (D) Other chief-level staff, please specify:  
MAM Division Heads
- (E) Head of department, please specify department:  
MIRA Head of Sustainability, MIRA Head of Responsible Investment, MIM Head of ESG Oversight
- (F) None of the above roles have oversight and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 7	CORE	N/A	ISP 8	PUBLIC	Governance	1

In your organisation, which internal or external roles have responsibility for implementing responsible investment?

- (A) Board and/or trustees
- (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- (C) Investment committee
- (D) Other chief-level staff [as specified]
- (E) Head of department [as specified]
- (F) Portfolio managers
- (G) Investment analysts
- (H) Dedicated responsible investment staff
- (I) Investor relations
- (J) External managers or service providers
- (K) Other role, please specify:  
RMG ESR team
- (L) Other role, please specify:
- (M) We do not have roles with responsibility for implementing responsible investment.

## People and capabilities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8	CORE	ISP 6, ISP 7	ISP 8.1, ISP 8.2	PUBLIC	People and capabilities	General

What formal objectives for responsible investment do the roles in your organisation have?

	(1) Board and/or trustees	(2) Chief-level staff	(3) Investment committee	(4) Other chief-level staff [as specified]	(5) Head of department [as specified]
(A) Objective for ESG incorporation in investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Objective for ESG performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	(6) Portfolio managers	(7) Investment analysts	(8) Dedicated responsible investment staff	(9) Investor relations	(11) Other role
(A) Objective for ESG incorporation in investment activities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Objective for ESG performance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.2	CORE	ISP 8	N/A	PUBLIC	People and capabilities	General

Which responsible investment objectives are linked to variable compensation for roles in your organisation?

**RI objectives linked to variable compensation for roles in your organisation:**

**(1) Board and/or trustees**

(A) Objective for ESG incorporation in investment activities

(B) Objective for contributing to the development of the organisation's ESG incorporation approach

(D) Objective on ESG performance

**(2) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))**

(A) Objective for ESG incorporation in investment activities

(B) Objective for contributing to the development of the organisation's ESG incorporation approach

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)

(D) Objective for ESG performance

**(5) Head of department**

(A) Objective for ESG incorporation in investment activities

(B) Objective for contributing to the development of the organisation's ESG incorporation approach

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)

(D) Objective for ESG performance

**(8) Dedicated responsible investment staff**

(A) Objective for ESG incorporation in investment activities

(B) Objective for contributing to the development of the organisation's ESG incorporation approach

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)

(D) Objective for ESG performance

**(11) Other role**

(A) Objective for ESG incorporation in investment activities

(B) Objective for contributing to the development of the organisation's ESG incorporation approach

(G) We have not linked any RI objectives to variable compensation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 9	CORE	N/A	N/A	PUBLIC	People and capabilities	General

How frequently does your organisation assess the responsible investment capabilities and training needs among your investment professionals?

- (A) Quarterly or more frequently
- (B) Bi-annually
- (C) Annually
- (D) Less frequently than annually
- (E) On an ad hoc basis
- (F) We do not have a process for assessing the responsible investment capabilities and training needs among our investment professionals

## Strategic asset allocation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 10	CORE	N/A	ISP 10.1	PUBLIC	Strategic asset allocation	1

Does your organisation incorporate ESG factors into your strategic asset allocation?

- (A) We incorporate ESG factors into calculations for expected risks and returns of asset classes
- (B) We specifically incorporate physical, transition and regulatory changes related to climate change into calculations for expected risks and returns of asset classes
- (C) No, we do not incorporate ESG considerations into our strategic asset allocation
- (D) Not applicable, we do not have a strategic asset allocation process

# Stewardship

## Stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 11	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship policy	2

What percentage of your assets under management does your stewardship policy cover?

(A) Listed equity >75%

(B) Fixed income >75%

(D) Real estate >75%

(E) Infrastructure >75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12	CORE	ISP 1.1	ISP 12.1	PUBLIC	Stewardship policy	2

Which elements does your organisation's stewardship policy cover? The policy may be a standalone guideline or part of a wider RI policy.

- (A) Key stewardship objectives
- (B) Prioritisation approach of ESG factors and their link to engagement issues and targets
- (C) Prioritisation approach depending on entity (e.g. company or government)
- (D) Specific approach to climate-related risks and opportunities
- (E) Stewardship tool usage across the organisation, including which, if any, tools are out of scope and when and how different tools are used and by whom (e.g. specialist teams, investment teams, service providers, external investment managers or similar)
- (F) Stewardship tool usage for specific internal teams (e.g. specialist teams, investment teams or similar)
- (G) Stewardship tool usage for specific external teams (e.g. service providers, external investment managers or similar)
- (H) Approach to collaboration on stewardship
- (I) Escalation strategies
- (J) Conflicts of interest
- (K) Details on how the stewardship policy is implemented and which elements are mandatory, including how and when the policy can be overruled

- (L) How stewardship efforts and results should be communicated across the organisation to feed into investment decision-making and vice versa
- (M) None of the above elements are captured in our stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12.1	PLUS	ISP 12	N/A	PUBLIC	Stewardship policy	2

Describe any additional details related to your stewardship policy elements or your overall stewardship approach.

MIRA, in its role as fund or investment manager, nominates senior employees to be appointed as Non-Executive Directors (NEDs) to each portfolio company board. These MIRA-nominated directors, along with all other directors of the board and the management team, have the legal responsibility for oversight of portfolio company operations, including seeking to ensure that the portfolio company management has appropriate ESG systems, procedures and practices in place.

## Stewardship policy implementation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 13	CORE	ISP 1.1	N/A	PUBLIC	Stewardship policy implementation	2

How is your stewardship policy primarily applied?

- (A) It requires our organisation to take certain actions
- (B) It describes default actions that can be overridden (e.g. by investment teams for certain portfolios)
- (C) It creates permission for taking certain measures that are otherwise exceptional
- (D) We have not developed a uniform approach to applying our stewardship policy

## Stewardship objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 15	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship objectives	2

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

(1) Listed equity      (2) Fixed income      (4) Real estate      (5) Infrastructure

- 
- |  |                                  |                                  |                                  |                                  |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| (A) Maximise the risk–return profile of individual investments                   | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            |
| (B) Maximise overall returns across the portfolio                                | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            |
| (C) Maximise overall value to beneficiaries/clients                              | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> | <input checked="" type="radio"/> |
| (D) Contribute to shaping specific sustainability outcomes (i.e. deliver impact) | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            | <input type="radio"/>            |
- 

## Stewardship prioritisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 16	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship prioritisation	2

What key criteria does your organisation use to prioritise your engagement targets? For asset classes such as real estate, private equity and infrastructure, you may consider this as key criteria to prioritise actions taken on ESG factors for assets, portfolio companies and/or properties in your portfolio. Select up to 3 options per asset class from the list.

	(1) Listed equity	(2) Fixed income	(4) Real estate	(5) Infrastructure
(A) The size of our holdings in the entity or the size of the asset, portfolio company and/or property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The materiality of ESG factors on financial and/or operational performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific ESG factors with systemic influence (e.g. climate or human rights)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The ESG rating of the entity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) The adequacy of public disclosure on ESG factors/performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Specific ESG factors based on input from clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Specific ESG factors based on input from beneficiaries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(H) Other criteria to prioritise engagement targets, please specify:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(I) We do not prioritise our engagement targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Stewardship methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 17	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship methods	2

Please rank the methods that are most important for your organisation in achieving its stewardship objectives. Ranking options: 1 = most important, 5 = least important.

- |  |   |
|--|---|
| (A) Internal resources (e.g. stewardship team, investment team, ESG team or staff)   | 1 |
| (B) External investment managers, third-party operators and/or external property managers (if applicable)  | 4 |
| (C) External paid services or initiatives other than investment managers, third-party operators and/or external property managers (paid beyond a membership fee) | 3 |
| (D) Informal or unstructured collaborations with peers   | 5 |
| (E) Formal collaborative engagements (e.g. PRI-coordinated collaborative engagements, Climate Action 100+, the Initiative Climat International (iCI) or similar) | 2 |

## Collaborative stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 18	CORE	Multiple, see guidance	ISP 18.1	PUBLIC	Collaborative stewardship	2

Which of the following best describes your organisation's default position, or the position of the service providers/external managers acting on your behalf, with regards to collaborative stewardship efforts such as collaborative engagements?

- (A) We recognise that stewardship suffers from a collective action problem, and, as a result, we actively prefer collaborative efforts
- (B) We collaborate when our individual stewardship efforts have been unsuccessful or are likely to be unsuccessful, i.e. as an escalation tool
- (C) We collaborate in situations where doing so would minimise resource cost to our organisation

- (D) We do not have a default position but collaborate on a case-by-case basis
- (E) We generally do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 18.1	PLUS	ISP 18	N/A	PUBLIC	Collaborative stewardship	2

#### Describe your position on collaborating for stewardship.

MAM collaborates alongside other stakeholders via frameworks including the PRI; Transition Pathway Initiative; SASB and Climate Action 100+.

We continue to engage with our investors, portfolio companies, industry groups and other stakeholders on ESG issues, with the aim of continuing to improve our own frameworks, promoting shared knowledge, experience and, ultimately, performance on these important issues.

## Escalation strategies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 19	PLUS	Multiple, see guidance	N/A	PUBLIC	Escalation strategies	2

Which of these measures did your organisation, or the service providers/external managers acting on your behalf, use most frequently when escalating initial stewardship approaches that were deemed unsuccessful?

(1) Listed equity

(2) Fixed income

- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
| (A) Collaboratively engaging the entity with other investors         | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (B) Filing/co-filing/submitting a shareholder resolution or proposal | <input type="checkbox"/>            | <input type="checkbox"/>            |
| (C) Publicly engaging the entity (e.g. open letter)                  | <input type="checkbox"/>            | <input type="checkbox"/>            |
| (D) Voting against the re-election of one or more board directors    | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (E) Voting against the chair of the board of directors               | <input type="checkbox"/>            | <input type="checkbox"/>            |

- (F) Voting against the annual financial report
- 
- (G) Divesting or implementing an exit strategy
- 
- (H) We did not use any escalation measures during the reporting year.    
Please explain why below

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 20	CORE	Multiple, see guidance	N/A	PUBLIC	Escalation strategies	2

If initial stewardship approaches were deemed unsuccessful, which of the following measures are excluded from the potential escalation actions of your organisation or those of the service providers/external managers acting on your behalf?

- | (1) Listed equity   | (2) Fixed income |
|---|------------------|
| (A) Collaboratively engaging the entity with other investors <input type="checkbox"/> <input checked="" type="checkbox"/>         |                  |
| (B) Filing/co-filing/submitting a shareholder resolution or proposal <input type="checkbox"/> <input checked="" type="checkbox"/> |                  |
| (C) Publicly engaging the entity (e.g. open letter) <input type="checkbox"/> <input checked="" type="checkbox"/>                  |                  |
| (D) Voting against the re-election of one or more board directors <input type="checkbox"/> <input checked="" type="checkbox"/>    |                  |
| (E) Voting against the chair of the board of directors <input type="checkbox"/> <input checked="" type="checkbox"/>               |                  |
| (F) Voting against the annual financial report <input type="checkbox"/> <input checked="" type="checkbox"/>                       |                  |
| (G) Divesting or implementing an exit strategy <input type="checkbox"/> <input checked="" type="checkbox"/>                       |                  |

(H) We do not have any restrictions on the escalation measures we can use	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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## Alignment and effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 21	PLUS	Multiple, see guidance	N/A	PUBLIC	Alignment and effectiveness	2

**Describe how you coordinate stewardship across your organisation to ensure that stewardship progress and results feed into investment decision-making and vice versa.**

The assessment and management of ESG risks and opportunities are embedded within MIRA's investment decision-making approach and asset management frameworks through which we encourage portfolio companies to assess and improve performance. Our approach to responsible investment is supported by our ESG and risk experts, centralised policies and processes and the expertise of our in-house asset management teams.

MIM's specialised, independent investment teams are focused on delivering long-term, consistent results for clients. Each team has autonomy to execute on its own investment philosophy. All of MIM's teams share several traits: independent thinking, global perspectives and conviction in their specialised investment philosophies. The teams also recognise that ESG factors may provide additional insight into investment risk and that positive ESG performance may be a potential indicator of management quality, operational performance and the potential to create long-term value. Each team differs in the extent of their coverage and review of these factors, with some teams systematically reviewing ESG factors as part of their investment process, while some others review these factors on an ad-hoc basis.

## Engaging policymakers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23	CORE	N/A	Multiple, see guidance	PUBLIC	Engaging policymakers	2

**How does your organisation, or the external investment managers or service providers acting on your behalf, engage with policymakers for a more sustainable financial system?**

- (A) We engage with policymakers directly
- (B) We provide financial support, are members of and/or are in another way affiliated with third-party organisations, including trade associations and non-profit organisations, that engage with policymakers
- (C) We do not engage with policymakers directly or indirectly

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.1	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

**What methods do you, or the external investment managers or service providers acting on your behalf, use to engage with policymakers for a more sustainable financial system?**

- (A) We participate in "sign-on" letters on ESG policy topics. Describe:
- (B) **We respond to policy consultations on ESG policy topics. Describe:**
- (C) We provide technical input on ESG policy change. Describe:
- (D) We proactively engage financial regulators on financial regulatory topics regarding ESG integration, stewardship, disclosure or similar. Describe:
- (E) We proactively engage regulators and policymakers on other policy topics. Describe:
- (F) **Other methods used to engage with policymakers. Describe:**

The Climate Finance Leadership Initiative (CFLI) for which Macquarie Group CEO Shemara Wikramanayake is a commissioner

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.2	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

**Do you have governance processes in place (e.g. board accountability and oversight, regular monitoring and review of relationships) that ensure your policy activities, including those through third parties, are aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?**

- (A) **Yes, we have governance processes in place to ensure that our policy activities are aligned with our position on sustainable finance and our commitment to the 6 Principles of the PRI. Describe your governance processes:**

Macquarie's Code of Conduct incorporates What We Stand For: the principles of Opportunity, Accountability and Integrity that guide Board, management and staff conduct. It is expected that they all meet these standards and deal honestly and fairly with our clients, counterparties and regulators. Macquarie has in place numerous policies designed to ensure that we remain congruent and consistent in respect of our alignment on sustainable finance and our commitment to the 6 Principles of the PRI. These policies include Macquarie's Continuous Disclosure and External Communications Policy; Political Contributions Policy and Code of Conduct. These policies as well as the underlying procedures and management systems underpinning them are supported by Macquarie's Integrity Office, whose mission is to promote high ethical standards at Macquarie by assisting Macquarie to comply with the principles of What We Stand For and to protect its people, integrity and reputation by providing a safe and independent place to speak up.

- (B) No, we do not have these governance processes in place. Please explain why not:

## Engaging policymakers – Policies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24	CORE	ISP 23	ISP 24.1	PUBLIC	Engaging policymakers – Policies	2

Do you have policies in place that ensure that your political influence as an organisation is aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?

◉ (A) Yes, we have a policy(ies) in place. Describe your policy(ies):

Macquarie supports democratic systems of government. We believe we need to be engaged and understand the evolving policy and regulatory environments in Australia and other jurisdictions in which we operate, as these factors impact our business as well as our clients' businesses. Macquarie's Code of Conduct incorporates What We Stand For: the principles of Opportunity, Accountability and Integrity that guide Board, management and staff conduct. It is expected that they all meet these standards and deal honestly and fairly with our clients, counterparties and regulators. Macquarie has in place numerous policies designed to ensure that we remain congruent and consistent in respect of our alignment on sustainable finance and our commitment to the 6 Principles of the PRI. These policies include Macquarie's Continuous Disclosure and External Communications Policy; Political Contributions Policy and Code of Conduct. These policies as well as the underlying procedures and management systems underpinning them are supported by Macquarie's Integrity Office, whose mission is to promote high ethical standards at Macquarie by assisting Macquarie to comply with the principles of What We Stand For and to protect its people, integrity and reputation by providing a safe and independent place to speak up.

○ (B) No, we do not a policy(ies) in place. Please explain why not:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24.1	CORE	ISP 24	N/A	PUBLIC	Engaging policymakers – Policies	2

Is your policy that ensures alignment between your political influence and your position on sustainable finance publicly disclosed?

◉ (A) Yes. Add link(s):

<https://www.macquarie.com/au/en/about/what-we-stand-for.html>;  
<https://www.macquarie.com/assets/macq/impact/esg/policies/Political%20contributions%20and%20engagement.pdf>

○ (B) No, we do not publicly disclose this policy(ies)

## Engaging policymakers – Transparency

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 25	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers – Transparency	2

During the reporting year, did your organisation publicly disclose your policy engagement activities or those conducted on your behalf by external investment managers/service providers?

- (A) We publicly disclosed details of our policy engagement activities. Add link(s):
- (B) We publicly disclosed a list of our third-party memberships in or support for trade associations, think-tanks or similar that conduct policy engagement activities with our support or endorsement. Add link(s):  
<https://www.macquarie.com/au/en/about/company/environmental-social-and-governance.html>
- (C) No, we did not publicly disclose our policy engagements activities during the reporting year. Explain why:
- (D) Not applicable, we did not conduct policy engagement activities

## Climate change

### Public support

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 26	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Paris Agreement?

- (A) Yes, we publicly support the Paris Agreement Add link(s) to webpage or other public document/text expressing support for the Paris Agreement:  
<https://www.macquarie.com/au/en/about/news/2020/addressing-climate-change-and-accelerating-the-low-carbon-transition.html>;  
<https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenario-analysis-fy20.pdf>
- (B) No, we currently do not publicly support the Paris Agreement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 27	CORE	N/A	N/A	PUBLIC	Public support	General

**Does your organisation publicly support the Task Force on Climate-Related Financial Disclosures (TCFD)?**

**(A) Yes, we publicly support the TCFD Add link(s) to webpage or other public document/text expressing support for the TCFD:**

<https://www.fsb-tcfd.org/tcfld-supporters/>

**(B) No, we currently do not publicly support the TCFD**

## Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 28	CORE	N/A	N/A	PUBLIC	Governance	General

**How does the board or the equivalent function exercise oversight over climate-related risks and opportunities?**

**(A) By establishing internal processes through which the board or the equivalent function are informed about climate-related risks and opportunities. Specify:**

The Macquarie Group Board is responsible for approving Macquarie Group's ESG framework, including major ESG policies. In accordance with its charter, the Board Governance and Compliance Committee (BGCC) assists the Board in adopting appropriate governance standards and reviewing the operations of the group-wide Environmental and Social Risk (ESR) management policies, which address a range of ESG issues include climate-related risks. MIM and MIRA report periodically to the BGCC and Board on these matters.

**(B) By articulating internal/external roles and responsibilities related to climate. Specify:**

This is addressed within the Macquarie Group FY20 TCFD report available online at:  
<https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenario-analysis-fy20.pdf>.

**(C) By engaging with beneficiaries to understand how their preferences are evolving with regard to climate change. Specify:**

**(D) By incorporating climate change into investment beliefs and policies. Specify:**

This is addressed within the Macquarie Group FY20 TCFD report available online at:  
<https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenario-analysis-fy20.pdf>. The ESG policies of MIRA and MIM provide frameworks for effective management of ESG risks and opportunities, including climate-related risks and opportunities.

**(E) By monitoring progress on climate-related metrics and targets. Specify:**

**(F) By defining the link between fiduciary duty and climate risks and opportunities. Specify:**

The ESG policy frameworks of MIRA and MIM each articulate the how the effective management of climate-related risks and opportunities is linked to our broader responsibilities to stakeholders, including our fiduciary duty to investors.

**(G) Other measures to exercise oversight, please specify:**

**(H) The board or the equivalent function does not exercise oversight over climate-related risks and opportunities**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 29	CORE	N/A	N/A	PUBLIC	Governance	General

**What is the role of management in assessing and managing climate-related risks and opportunities?**

- (A) Management is responsible for identifying climate-related risks/opportunities and reporting them back to the board or the equivalent function. Specify:**

Macquarie Group addresses the identification and reporting of climate-related risks and opportunities in its FY20 TCFD report available online at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfld-implementation-progress-and-scenario-analysis-fy20.pdf>. MIRA and MIM report periodically to the Macquarie Group Board in respect of their compliance with their respective ESG policies which require the investigation of ESG risks and opportunities, including climate-related risks and opportunities, as an integral part of the investment due diligence process.

- (B) Management implements the agreed-upon risk management measures. Specify:**

Macquarie Group discusses its climate-related risk management and governance practices in its FY20 TCFD report available online at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfld-implementation-progress-and-scenario-analysis-fy20.pdf>. MAM is responsible for implementing appropriate risk controls to effectively manage ESG risks, including climate-related risks, as part of its investment process.

- (C) Management monitors and reports on climate-related risks and opportunities. Specify:**

Macquarie Group discusses the monitoring and reporting of climate-related risks and opportunities in its FY20 TCFD report available online at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfld-implementation-progress-and-scenario-analysis-fy20.pdf>. MAM is responsible for monitoring and reporting on ESG risks, including climate-related risks, as they relate to their investments.

- (D) Management ensures adequate resources, including staff, training and budget, are available to assess, implement and monitor climate-related risks/opportunities and measures. Specify:**

At the Macquarie Group level, the Macquarie Chief Risk Officer is responsible for embedding climate change risks into the risk management framework. The Environmental and Social Risk team facilitates the assessment and monitoring of climate related risks and related training as detailed in Macquarie's FY20 TCFD report available online at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfld-implementation-progress-and-scenario-analysis-fy20.pdf>. Together with dedicated staff focused on ESG matters across MAM, RMG provides guidance, assistance, materials, tools and training on a range of ESG issues including climate risk. MIRA-nominated NEDs who sit on the boards of MIRA's fund portfolio companies also receive training on ESG issues, including climate risk.

- (E) Other roles management takes on to assess and manage climate-related risks/opportunities, please specify:

- (F) Our management does not have responsibility for assessing and managing climate-related risks and opportunities

## Strategy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30	CORE	N/A	Multiple, see guidance	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified within its investment time horizon(s)?

**(A) Specific financial risks in different asset classes. Specify:**

Macquarie Group has identified climate-related financial risks for different asset classes in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group.

**(B) Specific sectors and/or assets that are at risk of being stranded. Specify:**

Macquarie Group has conducted physical and transition risk heat mapping to identify the sectors most exposed to climate-related risks in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group. MIM has developed a proprietary model that offers each investment team the ability to conduct scenario analysis to assess the potential financial impact on individual companies and the portfolio as a whole due to climate change mitigation efforts.

**(C) Assets with exposure to direct physical climate risk. Specify:**

Macquarie Group has used sub-sector vulnerability indicators to assess the direct and indirect impacts of physical climate risks as disclosed in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group.

**(D) Assets with exposure to indirect physical climate risk. Specify:**

Macquarie Group has used sub-sector vulnerability indicators to assess the direct and indirect impacts of physical climate risks as disclosed in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group.

**(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:**

Macquarie Group has assessed specific sectors that are likely to benefit under different climate scenarios in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group.

**(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

Macquarie Group has assessed the contribution of various sectors to the transition to a low-carbon global economy in its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf>. MIRA has screened its infrastructure portfolio using the same methodology applied by Macquarie Group.

**(G) Other climate-related risks and opportunities identified. Specify:**

**(H) We have not identified specific climate-related risks and opportunities within our organisation's investment time horizon**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30.1	CORE	ISP 30	N/A	PUBLIC	Strategy	General

For each of the identified climate-related risks and opportunities, indicate within which investment time-horizon they were identified.

(1) 3–5 months      (2) 6 months to 2 years      (3) 2–4 years      (4) 5–10 years

(A) Specific financial risks in different asset classes [as specified]

(B) Specific sectors and/or assets that are at risk of being stranded [as specified]

(C) Assets with exposure to direct physical climate risk [as specified]

(D) Assets with exposure to indirect physical climate risk [as specified]

(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios [as specified]

(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]

(5) 11–20 years      (6) 21–30 years      (7) >30 years

(A) Specific financial risks in different asset classes [as specified]

(B) Specific sectors and/or assets that are at risk of being stranded [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Assets with exposure to direct physical climate risk [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Assets with exposure to indirect physical climate risk [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 31	CORE	N/A	N/A	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified beyond its investment time horizon(s)?

(A) Specific financial risks in different asset classes. Specify:

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

(B) Specific sectors and/or assets that are at risk of being stranded. Specify:

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

(C) Assets with exposure to direct physical climate risk. Specify:

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

(D) Assets with exposure to indirect physical climate risk. Specify:

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

(E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

**(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

MAM assesses climate change risks and opportunities associated with individual assets, sectors and the asset classes in which it invests over their life and not merely over the investment time horizon.

(G) Other climate-related risks and opportunities identified, please specify:

(H) We have not identified specific climate-related risks and opportunities beyond our organisation's investment time horizon

## Strategy: Scenario analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 33	CORE	N/A	ISP 33.1	PUBLIC	Strategy: Scenario analysis	General

Does your organisation use scenario analysis to assess climate-related investment risks and opportunities? Select the range of scenarios used.

- (A) An orderly transition to a 2°C or lower scenario
- (B) An abrupt transition consistent with the Inevitable Policy Response
- (C) A failure to transition, based on a 4°C or higher scenario
- (D) Other climate scenario, specify:
- (E) We do not use scenario analysis to assess climate-related investment risks and opportunities

## Risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 34	PLUS	ISP 30	N/A	PUBLIC	Risk management	General

Which risk management processes do you have in place to identify and assess climate-related risks?

**(A) Internal carbon pricing. Describe:**

Macquarie Investment Management (MIM)'s Equity and Fixed Income Investment teams have access to ESG analytical tools that provide insight into companies' and portfolios' carbon footprint, allow them to stress-test issuers and portfolios for different carbon pricing scenarios, and offer guidance regarding material ESG factors that affect a given industry.

(B) Hot spot analysis. Describe:

**(C) Sensitivity analysis. Describe:**

The climate-related risk scenario analysis undertaken by Macquarie Group as part of its FY20 TCFD report at <https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenarioanalysis-fy20.pdf> includes a sensitivity analysis based on varied temperature scenarios (1.5 degrees Celsius orderly, 1.5 degrees Celsius disorderly and baseline scenarios).

(D) TCFD reporting requirements on external investment managers where we have externally managed assets. Describe:

(E) TCFD reporting requirements on companies. Describe:

MIRA's Sustainability Minimum Standards specify minimum requirements for assets, including climate change considerations. MIRA's Sustainability Minimum Standards form the basis of annual business sustainability reviews during which fund portfolio companies report to MIRA regarding their sustainability performance including their assessment of climate-related risks and opportunities.

(F) Other risk management processes in place, please describe:

(G) We do not have any risk management processes in place to identify and assess climate-related risks

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 35	PLUS	Multiple, see guidance	N/A	PUBLIC	Risk management	General

**In which investment processes do you track and manage climate-related risks?**

(A) In our engagements with investee entities, and/or in engagements conducted on our behalf by service providers and/or external managers. Describe:

At MIRA, climate-related risks and opportunities are considered during the screening stage and investigated during the due diligence stage of new investment opportunities. These findings are considered as part of the new investment decision.

(B) In (proxy) voting conducted by us, and/or on our behalf by service providers and/or external managers. Describe:

(C) In our external investment manager selection process. Describe:

(D) In our external investment manager monitoring process. Describe:

(E) In the asset class benchmark selection process. Describe:

(F) In our financial analysis process. Describe:

At MIRA, climate-related risks and opportunities are considered during the screening stage and investigated during the due diligence stage of new investment opportunities. These findings are considered as part of the new investment decision.

(G) Other investment process(es). Describe:

(H) We are not tracking and managing climate-related risks in specific investment processes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 36	PLUS	N/A	N/A	PUBLIC	Risk management	General

**How are the processes for identifying, assessing and managing climate-related risks incorporated into your organisation's overall risk management?**

(A) The risk committee or the equivalent function is formally responsible for identifying, assessing and managing climate risks. Describe:

Climate change governance is described within Macquarie Group 2020 TCFD implementation progress and analysis report.

<https://www.macquarie.com/assets/macq/impact/esg/policies/tcfd-implementation-progress-and-scenario-analysis-fy20.pdf>.

(B) Climate risks are incorporated into traditional risks (e.g. credit risk, market risk, liquidity risk or operational risk). Describe:

Consistent with its strong risk management focus, Macquarie considers climate risks within the existing risk management framework. Macquarie's group-wide ESR Policy provides a robust framework for embedding environmental and social risks including climate related risks into investment decision making. Macquarie's environment and social risk (ESR) team provides specialist advice and support on ESR Policy application and are also responsible for implementation of Macquarie's TCFD implementation and climate risk.

**(C) Climate risks are prioritised based on their relative materiality, as defined by our organisation's materiality analysis.**

**Describe:**

Climate risks are evaluated as part of Macquarie Group approach to risk management as described on our website:  
<https://www.macquarie.com/au/en/about/company/risk-management.html>.

- (D) Executive remuneration is linked to climate-related KPIs. Describe:
- (E) Management remuneration is linked to climate-related KPIs. Describe:
- (F) Climate risks are included in the enterprise risk management system. Describe:
- (G) Other methods for incorporating climate risks into overall risk management, please describe:
- (H) Processes for identifying, assessing and managing climate-related risks are not integrated into our overall risk management

## Metrics and targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 37	PLUS	N/A	ISP 37.1	PUBLIC	Metrics and targets	General

### Have you set any organisation-wide targets on climate change?

- (A) Reducing carbon intensity of portfolios**
- (B) Reducing exposure to assets with significant climate transition risks
- (C) Investing in low-carbon, energy-efficient climate adaptation opportunities in different asset classes
- (D) Aligning entire group-wide portfolio with net zero**
- (E) Other target, please specify:
- (F) No, we have not set any climate-related targets

# Sustainability outcomes

## Identify sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 43	CORE	N/A	Multiple, see guidance	PUBLIC	Identify sustainability outcomes	1

Has your organisation identified the intended and unintended sustainability outcomes from any of its activities?

- (A) No, we have not identified the sustainability outcomes from our activities
- (B) Yes, we have identified one or more sustainability outcomes from some or all of our activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44	CORE	ISP 43	ISP 44.1	PUBLIC	Identify sustainability outcomes	1

What frameworks/tools did your organisation use to identify the sustainability outcomes from its activities? Indicate the tools or frameworks you have used to identify and map some or all of your sustainability outcomes.

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The Paris Agreement
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other taxonomies (e.g. similar to the EU Taxonomy), please specify:
- (G) Other framework/tool, please specify:  
GRESB
- (H) Other framework/tool, please specify:
- (I) Other framework/tool, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44.1	CORE	ISP 44	N/A	PUBLIC	Identify sustainability outcomes	1

**At what level(s) did your organisation identify the sustainability outcomes from its activities?**

- (A) At the asset level**
- (B) At the economic activity level
- (C) At the company level**
- (D) At the sector level**
- (E) At the country/region level**
- (F) At the global level**
- (G) Other level(s), please specify:
- (H) We do not track at what level(s) our sustainability outcomes were identified

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 45	CORE	ISP 43	SO 1	PUBLIC	Identify sustainability outcomes	1

**How has your organisation determined your most important sustainability outcome objectives?**

- (A) Identifying sustainability outcomes that are closely linked to our core investment activities**
- (B) Consulting with key clients and/or beneficiaries to align with their priorities
- (C) Assessing the potential severity (e.g. probability and amplitude) of specific negative outcomes over different timeframes**
- (D) Focusing on the potential for systemic impacts (e.g. due to high level of interconnectedness with other global challenges)
- (E) Evaluating the potential for certain outcome objectives to act as a catalyst/enabler to achieve a broad range of goals (e.g. gender or education)
- (F) Analysing the input from different stakeholders (e.g. affected communities, civil society or similar)
- (G) Understanding the geographical relevance of specific sustainability outcome objectives
- (H) Other method, please specify:
- (I) We have not yet determined our most important sustainability outcome objectives

# Transparency & Confidence-Building Measures

## Information disclosed – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 46	CORE	OO 16	N/A	PUBLIC	Information disclosed – ESG assets	6

For the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets, what information about your ESG approach do you (or the external investment managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- (D) A description of our investment process and how ESG is considered
- (E) ESG objectives of individual funds
- (F) Information about the ESG benchmark(s) that we use to measure fund performance
- (G) Our stewardship approach
- (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- (J) A list of our main investments and holdings
- (K) ESG case study/example from existing fund(s)
- (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

## Client reporting – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 48	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – ESG assets	6

What ESG information is included in your client reporting for the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets?

- (A) Qualitative analysis, descriptive examples or case studies
- (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- (C) Progress on our sustainability outcome objectives
- (D) Stewardship results
- (E) Information on ESG incidents, where applicable
- (F) Analysis of ESG contribution to portfolio financial performance
- (G) We do not include ESG information in client reporting for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

## Information disclosed – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 49	CORE	N/A	N/A	PUBLIC	Information disclosed – All assets	6

For the majority of your total assets under management, what information about your ESG approach do you (or the external managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- (D) A description of our investment process and how ESG is considered
- (E) ESG objectives of individual funds
- (F) Information about the ESG benchmark(s) that we use to measure fund performance
- (G) Our stewardship approach
- (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- (J) A list of our main investments and holdings
- (K) ESG case study/example from existing fund(s)

- (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our assets under management

## Client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 50	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – All assets	6

What ESG information is included in your client reporting for the majority of your assets under management?

- (A) Qualitative ESG analysis, descriptive examples or case studies
- (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- (C) Progress on our sustainability outcome objectives
- (D) Stewardship results
- (E) Information on ESG incidents where applicable
- (F) Analysis of ESG contribution to portfolio financial performance
- (G) We do not include ESG information in client reporting for the majority of our assets under management

## Frequency of client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 51	CORE	Multiple, see guidance	N/A	PUBLIC	Frequency of client reporting – All assets	6

For the majority of each asset class, how frequently do you report ESG-related information to your clients?

- |                    |  |
|--------------------|--|
| (A) Listed equity  | (4) On an ad hoc basis or upon request |
| (B) Fixed income   | (4) On an ad hoc basis or upon request |
| (D) Real estate    | (3) Annually                           |
| (E) Infrastructure | (1) Quarterly                          |

## Confidence-building measures

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 52	CORE	OO 16.1	Multiple, see guidance	PUBLIC	Confidence-building measures	6

**What verification has your organisation had regarding the information you have provided in your PRI Transparency Report this year?**

- (A) We received third-party independent assurance of selected processes and/or data related to our responsible investment processes, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls/governance or processes to be able to conduct an external assurance next year
- (C) **The internal audit function team performed an independent audit of selected processes/and or data related to our responsible investment processes reported in this PRI report**
- (D) **Our board, CEO, other C-level equivalent and/or investment committee has signed off on our PRI report**
- (E) Some or all of our funds have been audited as part of the certification process against a sustainable investment/RI label
- (F) We conducted an external ESG audit of our ESG/sustainability marketed funds or products (excluding ESG/RI certified or labelled assets)
- (G) We conducted an external ESG audit of our holdings to check that our funds comply with our RI policy (e.g. exclusion list or investee companies in portfolio above certain ESG rating)
- (H) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (I) **Responses related to our RI practices documented in this report have been internally reviewed before submission to the PRI**
- (J) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 56	CORE	OO 14, ISP 52	N/A	PUBLIC	Confidence-building measures	6

**What responsible investment processes and/or data were audited by internal auditors/outsourced internal auditors?**

- |   |                                      |
|---|--------------------------------------|
| (A) Investment and stewardship policy             | (1) Processes assured                |
| <hr/>   |                                      |
| (B) Manager selection, appointment and monitoring | (4) Neither process nor data assured |
| <hr/>   |                                      |
| (C) Listed equity                                 | (4) Neither process nor data assured |
| <hr/>   |                                      |

(D) Fixed income	(4) Neither process nor data assured
(F) Real estate	(1) Processes assured
(G) Infrastructure	(1) Processes assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 57	PLUS	ISP 52	N/A	PUBLIC	Confidence-building measures	6

**Provide details about the internal audit process regarding the information provided in your PRI Transparency Report.**

During the reporting period, Macquarie's internal audit team undertook reviews to confirm that MAM's ESG policies are being implemented consistently. Internal audits were also conducted after the reporting period for which the subject of the audit were investment activities that occurred during the reporting period. Both processes and data were audited as part of these audits.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 58	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

**Who has reviewed/verified the entirety of or selected data from your PRI report?**

(A) Board and/or trustees	(4) report not reviewed
(B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))	(1) the entire report
(C) Investment committee	(4) report not reviewed
(D) Other chief-level staff, please specify: MAM Division Heads	(3) parts of the report
(E) Head of department, please specify: MIRA Head of Sustainability, MIRA Head of Responsible Investment, MIM Head of ESG Oversight	(1) the entire report

(F) Compliance/risk management team (1) the entire report

(G) Legal team (1) the entire report

(H) RI/ ESG team (1) the entire report

(I) Investment teams (4) report not reviewed

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 62	PLUS	ISP 52	N/A	PUBLIC	Confidence-building measures	6

**Describe your organisation's approach to ensuring that your responsible investment processes are implemented as per your policies and guidelines. In your description please include the frequency of ensuring that your processes follow stated policies and include the choice of ESG fund audit, internal audit function and/or third-party external assurance.**

MAM has a dedicated risk team which is functionally and hierarchically independent from the portfolio management team and is responsible for identifying operational risks (including ESG risks) associated with the funds and ensuring they are managed appropriately.

Business ownership of risk is an essential element in understanding and managing risk. Each business team within Macquarie is responsible for identifying risks within its business and ensuring that they are managed appropriately, and in accordance with MAM's policies, procedures and controls. The MAM Risk Team provides leadership, specialist risk support, guidance, and challenge and ensures the implementation of Macquarie's and MAM's Operational Risk Management Frameworks consistent globally. This includes the provision of objective oversight and challenge of transaction and asset management teams to ensure that all key risks are appropriately identified and managed. Additionally, responsibilities of the MAM Risk team include implementation of the control assurance programme which involves regular, periodic reviews of MAM's critical controls to test that they are operating effectively, including compliance with policies and procedures.

Macquarie's Risk Management Group (RMG) is an independent, central unit responsible for ensuring all risks are appropriately assessed and managed across Macquarie Group. The Head of RMG has oversight of Internal Audit jointly with the Macquarie Board Audit Committee.

Risk and RMG functions provide MAM staff with regular training, communications and resources on policies and procedures, which are hosted in a central repository accessible by all staff.

Internal audit perform periodic reviews across MAM businesses to assess compliance with the risk management framework, policies and procedures, including those relating to responsible investment.

# Manager Selection, Appointment and Monitoring (SAM)

## Investment consultants

### Investment consultant selection

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 8	N/A	PUBLIC	Investment consultant selection	4

During the reporting year, what responsible investment requirements did you include in all of your selections of investment consultants? (If you did not select any investment consultants during the reporting year, refer to the last reporting year in which you did select investment consultants.)

- (A) We required evidence that they incorporated responsible investment criteria in their advisory services
- (B) We required them to be able to accommodate our responsible investment priorities
- (C) We required evidence that their staff had adequate responsible investment expertise
- (D) We required them to have access to ESG data and quantitative ESG analytical tools to support their recommendations
- (E) We required evidence that the consultants working directly with us would receive additional ESG training where needed
- (F) We required them to analyse the external managers' impact on sustainability outcomes
- (G) Other, please specify:
- (H) We did not include responsible investment requirements in our selection(s) of investment consultants

# Selection

## Responsible investment policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 11	SAM 2.1	PUBLIC	Responsible investment policy	1, 4

During the reporting year, did your organisation include compliance with your responsible investment policy as a pre-requisite when selecting external managers? (If you did not select any external managers during the reporting year, refer to the last reporting year in which you did select external managers.)

- (1) Yes, only when selecting external managers of ESG/sustainability funds
- (2) Yes, when selecting external managers of ESG/sustainability funds and mainstream funds (This option also applies to signatories who may not hold ESG/sustainability funds)
- (3) We did not include compliance with our responsible investment policy as a pre-requisite when selecting external managers

(A) Listed equity (active)



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2.1	CORE	SAM 2	N/A	PUBLIC	Responsible investment policy	1,4

In what proportion of cases did your organisation include compliance with your responsible investment policy as a pre-requisite when selecting external managers?

(1) Listed equity (active)

(B) When selecting external managers of ESG/sustainability funds and mainstream funds

(1) in all cases

## Research and screening

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	CORE	OO 11	N/A	PUBLIC	Research and screening	1
<p>When selecting external managers, which aspects of their organisation do you, or the investment consultant acting on your behalf, assess against responsible investment criteria? (Per asset class, indicate the proportion of your AUM to which each of these selection practices applies, regardless of when you selected your different external managers.)</p>						
<p>(1) Listed equity (active)</p>						
(A) Firm culture		(1) for all of our externally managed AUM				
(B) Investment approach, objectives and philosophy		(2) for the majority of our externally managed AUM				
(C) Investment policy or guidelines		(1) for all of our externally managed AUM				
(D) Governance structure and management oversight, including diversity		(2) for the majority of our externally managed AUM				
(E) Investment strategy and fund structure		(2) for the majority of our externally managed AUM				
(F) Investment team competencies		(2) for the majority of our externally managed AUM				
(G) Other, please specify:		N/a				
		(4) for none of our externally managed AUM				

## Investment practices

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 11	N/A	PUBLIC	Investment practices	1
<p>Which responsible investment practices does your organisation, or the investment consultants acting on your behalf, require as part of your external manager selection criteria? (Per asset class, indicate the proportion of your AUM to which each of these selection practices applies, regardless of when you selected your different external managers.) As part of the selection criteria, we require that external managers:</p>						
<p>(1) Listed equity (active)</p> <hr/>						
(A) Incorporate material ESG factors in all of their investment analyses and decisions		(2) for the majority of our externally managed AUM				
(B) Incorporate their own responsible investment policy into their asset allocation decisions		(2) for the majority of our externally managed AUM				
(C) Have adequate resources and processes to analyse ESG factors		(2) for the majority of our externally managed AUM				
(D) Incorporate material ESG factors throughout their portfolio construction		(2) for the majority of our externally managed AUM				
(E) Engage with underlying portfolio assets to address ESG risks and opportunities		(2) for the majority of our externally managed AUM				
(F) Comply with their own exclusions policy		(2) for the majority of our externally managed AUM				

(G) Embed ESG considerations in contractual documentation	(2) for the majority of our externally managed AUM
(H) Implement adequate disclosure and accountability mechanisms	(2) for the majority of our externally managed AUM
(I) Are willing to work in partnership with our organisation to develop their responsible investment approach	(3) for a minority of our externally managed AUM
(J) Track the positive and negative sustainability outcomes of their activities	(3) for a minority of our externally managed AUM
(K) Other, please specify:	<input type="text"/> N/A (4) for none of our externally managed AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	PLUS	OO 11	N/A	PUBLIC	Investment practices	1

**Does your organisation, or the investment consultants acting on your behalf, expressly assess the following practices regarding derivatives and short positions as part of your manager selection process? (Indicate the proportion of your AUM to which each of these selection practices applies, regardless of when you selected your different external managers.)**

- |   |                                   |
|---|-----------------------------------|
| (A) We assess whether they apply ESG incorporation into derivatives, insurance instruments (such as CDS) and other synthetic exposures or positions | (1) we do not allow this practice |
| (B) We assess how they apply their exclusion policies to short and derivative exposures   | (1) we do not allow this practice |

(C) We assess whether their use of leverage is aligned with their responsible investment policy	(1) we do not allow this practice
---	-----------------------------------

## Sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 11	N/A	PUBLIC	Sustainability outcomes	1

**How does your organisation, or the investment consultant acting on your behalf, assess external managers' approaches to their sustainability outcomes as part of your selection process? (Indicate the proportion of your AUM to which each of these selection practices applies, regardless of when you selected your different external managers.)**

(A) We assess their track records on advancing sustainability outcomes across their assets	(4) for none of our externally managed AUM
(B) We assess whether they have set targets for the sustainability outcomes of their activities or are willing to incorporate our own targets	(4) for none of our externally managed AUM
(C) We assess how they use key levers including asset allocation, engagement and stewardship activities to advance sustainability outcomes	(4) for none of our externally managed AUM
(D) We assess how well they report on their progress on sustainability outcomes across their assets	(3) for a minority of our externally managed AUM
(E) Other, please specify: N/A	(4) for none of our externally managed AUM

## Documentation and track record

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	CORE	OO 11	N/A	PUBLIC	Documentation and track record	1
<p>As part of your selection process, which documents does your organisation, or the investment consultants acting on your behalf, review to gain confidence in external managers' responsible investment practices? (Indicate the proportion of your AUM to which each of these selection practices applies, regardless of when you selected your different external managers.)</p>						
(A) Standard client reporting, responsible investment reports or impact reports					(2) for the majority of our externally managed AUM	
(B) Responsible investment methodology and its influence on past investment decisions					(1) for all of our externally managed AUM	
(C) Historical voting and engagement activities with investees					(2) for the majority of our externally managed AUM	
(D) Historical engagement activities with policymakers					(4) for none of our externally managed AUM	
(E) Compliance manuals and portfolios to ensure universal construction rules are applied (e.g. exclusions, thematic, best-in-class definitions and thresholds)					(1) for all of our externally managed AUM	
(F) Controversies and incidence reports					(1) for all of our externally managed AUM	
(G) Code of conduct or codes of ethics					(1) for all of our externally managed AUM	
(H) Other, please specify:					(4) for none of our externally managed AUM	
	N/A					

# Appointment

## Pooled funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 12, OO 5.1, OO 15	N/A	PUBLIC	Pooled funds	4

How did your organisation, or the investment consultants acting on your behalf, include responsible investment requirements for pooled funds in your current contracts with external managers? (Indicate the proportion of your AUM invested in pooled funds to which each of these requirements applies, regardless of when you appointed your different external managers.)

- (A) We amended or instituted side letters or equivalent legal documentation to include responsible investment requirements (2) for the majority of our AUM invested in pooled funds
- (B) We encouraged the external manager to include responsible investment requirements into the investment mandate, the investment management agreement or equivalent legal documentation (2) for the majority of our AUM invested in pooled funds

## Segregated mandates

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 12, OO 5.1	N/A	PUBLIC	Segregated mandates	4

When setting up segregated mandates with external managers, which responsible investment clauses did your organisation, or the investment consultants acting on your behalf, include in your current contractual agreements? (Indicate the proportion of your AUM invested in segregated funds to which each of these requirements applies, regardless of when you appointed your different external managers.)

- (A) The manager's commitment to follow our responsible investment strategy in the management of our assets (4) for none of our AUM invested in segregated mandates
- (B) The manager's commitment to incorporate material ESG factors into its investment and stewardship activities (4) for none of our AUM invested in segregated mandates
- (C) Exclusion list(s) (4) for none of our AUM invested in segregated mandates

(D) Responsible investment communication and reporting obligations, including on stewardship activities and results	(4) for none of our AUM invested in segregated mandates
(E) Stewardship commitments in line with the PRI's guidance and focused on seeking sustainability outcomes and prioritising common goals and collaborative action	(4) for none of our AUM invested in segregated mandates
(F) Where applicable, commitment to fulfil a clear policy on security lending aligned with our own security lending policy or with the ICGN Securities Lending Code of Best Practice	(4) for none of our AUM invested in segregated mandates
(G) Incentives and controls to ensure alignment of interests	(4) for none of our AUM invested in segregated mandates
(H) Commitments on climate-related disclosure in line with internationally recognised frameworks such as the TCFD	(4) for none of our AUM invested in segregated mandates
(I) If applicable, commitment to disclose against the EU Taxonomy	(4) for none of our AUM invested in segregated mandates
(J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights	(4) for none of our AUM invested in segregated mandates
(K) The manager's acknowledgement that their appointment was conditional on their fulfilment of their responsible investment obligations	(4) for none of our AUM invested in segregated mandates
(L) Other, please specify: N/A	(4) for none of our AUM invested in segregated mandates

# Monitoring

## Investment practices

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 14	CORE	OO 13	N/A	PUBLIC	Investment practices	1

During the reporting year, which aspects of your external manager's responsible investment practices did you, or your investment consultant acting on your behalf, monitor?

### (1) Listed equity (active)

- (A) We monitored their alignment with our organisation's responsible investment strategy (2) for the majority of our externally managed AUM
- (B) We monitored any changes in their responsible investment-related policies, resourcing, oversight and responsibilities or investment processes (2) for the majority of our externally managed AUM
- (C) We monitored their use of ESG data, benchmarks, tools and certifications (2) for the majority of our externally managed AUM
- (D) We monitored how ESG incorporation affected investment decisions (2) for the majority of our externally managed AUM
- (E) We monitored how ESG incorporation affected the fund's financial and ESG performance (2) for the majority of our externally managed AUM

(F) We monitored any changes in ESG risk management processes (2) for the majority of our externally managed AUM

(G) We monitored their response to material ESG incidents (2) for the majority of our externally managed AUM

(H) Other, please specify: N/A  
(4) for none of our externally managed AUM

## Sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 19	PLUS	OO 13	N/A	PUBLIC	Sustainability outcomes	1

During the reporting year, how did your organisation, or the investment consultants acting on your behalf, monitor your external managers' progress on sustainability outcomes?

- (A) We reviewed progress on the sustainability outcomes of their activities
- (B) We reviewed how they used asset allocation individually or in partnership with others to make progress on sustainability outcomes
- (C) We reviewed how they used individual or collaborative investee engagement, including voting, to make progress on sustainability outcomes
- (D) We reviewed how they used individual or collaborative systemic stewardship, including policy engagement, to make progress on sustainability outcomes
- (E) We reviewed how they contributed to public goods (such as research) or public discourse (such as media) or collaborated with other actors to track and communicate progress against global sustainability goals
- (F) Other, please specify:
- (G) We did not review their progress on sustainability outcomes

## Review

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 20	CORE	OO 13	N/A	PUBLIC	Review	1

During the reporting year, how often did your organisation, or the investment consultants acting on your behalf, require your external managers to report to you on their responsible investment practices?

(1) Listed equity (active)

- |  |  |
|--|--|
| (A) Quarterly or more often  | (2) for the majority of our externally managed AUM |
| (B) Every six months   | (4) for none of our externally managed AUM         |
| (C) Annually   | (1) for all of our externally managed AUM          |
| (D) Less than once a year  | (4) for none of our externally managed AUM         |
| (E) On an ad hoc basis (e.g. whenever significant changes, incidents or ESG-linked events occur) | (3) for a minority of our externally managed AUM   |

## Verification

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 21	PLUS	OO 13	N/A	PUBLIC	Verification	1

During the reporting year, how did your organisation, or the investment consultants acting on your behalf, verify the information reported by external managers on their responsible investment practices?

**(1) Listed equity (active)**

- 
- (A) We required evidence of internal monitoring or compliance (2) for the majority of our externally managed AUM
- 
- (B) We required evidence of external monitoring or compliance (4) for none of our externally managed AUM
- 
- (C) We required that they had an independent ESG advisory board or committee (4) for none of our externally managed AUM
- 
- (D) We required verification by an external, independent auditor (4) for none of our externally managed AUM
- 
- (E) Other, please specify:  N/A (4) for none of our externally managed AUM

## Engagement and escalation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 22	CORE	OO 13	N/A	PUBLIC	Engagement and escalation	1

Which actions does your organisation, or the investment consultants acting on your behalf, include in its formal escalation process to address concerns raised during monitoring?

**(1) Listed equity (active)**

- 
- (A) We notify the external manager about their placement on a watch list

(B) We engage the external manager's board or investment committee

(C) We reduce exposure with the external manager until any non-conformances have been rectified

(D) We terminate the contract with the external manager if failings persist over a (notified) period of time and explain the reasons for the termination

(E) Other, please specify

(F) Our organisation does not have a formal escalation process to address concerns raised by monitoring

## Listed Equity (LE)

### Pre-investment phase

#### Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 10	LE 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors across listed equities?

(1) Passive equity

(3) Active – fundamental

(A) Yes, we have a formal process to identify material ESG factors for all of our assets

- (B) Yes, we have a formal process to identify material ESG factors for the majority of our assets
- 
- (C) Yes, we have a formal process to identify material ESG factors for a minority of our assets
- 
- (D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion
- 
- (E) No, we do not have a formal process to identify material ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1.1	CORE	LE 1	N/A	PUBLIC	Materiality analysis	1

**How does your current investment process incorporate material ESG factors?**

**(1) Passive equity**

**(3) Active - Fundamental**

- 
- (A) The investment process incorporates material governance factors
- 
- (B) The investment process incorporates material environmental and social factors
- 
- (C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon
- 
- (D) The investment process incorporates the effect of material ESG factors on revenues and business operations

## Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

**Do you continuously monitor a list of identified long-term ESG trends related to your listed equity assets?**

### (1) Passive equity

### (3) Active – fundamental

- (A) We monitor long-term ESG trends for all assets
  - (B) We monitor long-term ESG trends for the majority of assets
  - (C) We monitor long-term ESG trends for a minority of assets
  - (D) We do not continuously monitor long-term ESG trends in our investment process

# ESG incorporation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 10	LE 3.1	PUBLIC	ESG incorporation	1

How does your financial modelling and equity valuation process incorporate material ESG risks?

### (1) Passive equity

### (3) Active – fundamental

- (A) We incorporate governance-related risks into financial modelling and equity valuations

(B) We incorporate environmental and social risks into financial modelling and equity valuations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) ESG risk is incorporated into financial modelling and equity valuations at the discretion of individual investment decision-makers, and we do not track this process	<input type="checkbox"/>	<input type="checkbox"/>
(E) We do not incorporate ESG risks into our financial modelling and equity valuations	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3.1	CORE	LE 3	N/A	PUBLIC	ESG incorporation	1

**In what proportion of cases do you incorporate the following material ESG risks into your financial modelling and equity valuation process?**

#### **(1) Passive Equity**

- |  |                            |
|--|----------------------------|
| (A) We incorporate governance-related risks into financial modelling and equity valuations   | (3) in a minority of cases |
| (B) We incorporate environmental and social risks into financial modelling and equity valuations                                     | (3) in a minority of cases |
| (C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations | (3) in a minority of cases |

#### **(3) Active - Fundamental**

- |  |                              |
|--|------------------------------|
| (A) We incorporate governance-related risks into financial modelling and equity valuations | (2) in the majority of cases |
|--|------------------------------|

(B) We incorporate environmental and social risks into financial modelling and equity valuations (2) in the majority of cases

(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations (2) in the majority of cases

## Assessing ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 10	LE 4.1	PUBLIC	Assessing ESG performance	1

What information do you incorporate when you assess the ESG performance of companies in your financial modelling and equity valuation process?

(1) Passive equity

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics

(B) We incorporate information on historical performance across a range of ESG metrics

(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics

(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability

(E) We do not incorporate ESG factors when assessing the ESG performance of companies in our financial modelling or equity valuation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4.1	CORE	LE 4	N/A	PUBLIC	Assessing ESG performance	1

In what proportion of cases do you incorporate the following information when assessing the ESG performance of companies in your financial modelling and equity valuation process?

**(1) Passive equity**

- 
- |   |                            |
|---|----------------------------|
| (A) We incorporate information on current performance across a range of ESG metrics                                       | (3) in a minority of cases |
| (B) We incorporate information on historical performance across a range of ESG metrics                                    | (3) in a minority of cases |
| (C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics | (3) in a minority of cases |
| (D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability | (3) in a minority of cases |
- 

**(3) Active – fundamental**

- 
- |   |                              |
|---|------------------------------|
| (A) We incorporate information on current performance across a range of ESG metrics                                       | (1) in all cases             |
| (B) We incorporate information on historical performance across a range of ESG metrics                                    | (1) in all cases             |
| (C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics | (3) in a minority of cases   |
| (D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability | (2) in the majority of cases |
-

## ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**Outline one best practice or innovative example where ESG factors have been incorporated into your equity selection and research process.**

For regulated utilities, the GLI team considers customer bill affordability/inflation within their investment process. For example, certain utilities consistently offset capital recovery requests with cost reductions. As such, the team applies a lower cost of capital for their "social" considerations, which translates into reduced regulatory risk.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 10	LE 6.1	PUBLIC	ESG incorporation in portfolio construction	1

**How do ESG factors influence your portfolio construction?**

**(1) Passive equity**

**(3) Active – fundamental**

(A) The selection of individual assets within our portfolio is influenced by ESG factors



(B) The holding period of individual assets within our portfolio is influenced by ESG factors



(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors

- (D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process
- 
- (E) Other expressions of conviction (please specify below)
- 
- (F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6.1	CORE	LE 6	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**In what proportion of cases did ESG factors influence your portfolio construction?**

**(1) Passive equity**

- (A) The selection of individual assets within our portfolio is influenced by ESG factors (3) in a minority of cases
- 
- (B) The holding period of individual assets within our portfolio is influenced by ESG factors (3) in a minority of cases
- 
- (C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (3) in a minority of cases
- 
- (D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process (3) in a minority of cases

**(3) Active – fundamental**

- (A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases
- 
- (B) The holding period of individual assets within our portfolio is influenced by ESG factors (1) in all cases

- (C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (1) in all cases
- 
- (D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process (1) in all cases
- 

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Please provide two examples of how ESG factors have influenced weightings and tilts in either passive or active listed equity.

Provide examples below:

(A) Example 1:

ESG considerations were a key driver behind our Global Small Cap team's investment in a Norwegian developer, manufacturer, and marketer of machines used to recycle beverage containers. The Company's products are marketed in Europe and North and South America. Given the firm's leading market position in machines to recycle single use plastic bottles, the team recognized the opportunity for the company to benefit from strong demand as European countries rolled out new initiatives to spur greater recycling compliance.

(B) Example 2:

MIM's US Core Equity team is increasingly using climate and emissions as decision-making criteria over the past year, knowing the importance of these measures to regulators and investors. The team owned two competing companies in one of its portfolios in the road and rail transport industry. Both of the companies experienced significant financial losses from the impact that the COVID-19 pandemic had on their business segments. (**response continued in row below**)

In addition to analyzing financial forecasts to determine the impact on each company's valuation and future business growth, the team also assessed each company's sustainability profile. The team decided to retain and increase the weighting of the company which has a zero-emission policy and is the only rideshare company and one of the first companies more broadly to measure and report on emissions from customers' real-world use of its products, while exiting from the other company. With respect to stock price performance, during calendar year 2020, the stock price appreciation of the company which the team exited underperformed the stock price appreciation of the company in which the team increased its weight in and the company trades at a premium multiple to peers given it has delivered on creating a stronger platform which resulted in better employee and customer experiences and engagement..

## Post-investment phase

### ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

**Do your regular reviews incorporate ESG risks?**

(1) Passive equity

(3) Active – fundamental

(A) Our regular reviews include quantitative information on material ESG risks specific to individual listed equities



(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level



(C) Our regular reviews only highlight fund holdings where ESG ratings have changed

- (D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency
- 
- (E) We do not conduct reviews

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

**Do you regularly identify and incorporate ESG incidents into the investment process for your listed equity assets?**

**(1) Passive equity**

**(3) Active – fundamental**

- 
- (A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions
- 
- (B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions
- 
- (C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions
- 
- (D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents
- 
- (E) Other

(F) We currently do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making

o

o

## Performance monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 10	N/A	PUBLIC	Performance monitoring	1

Provide an example of an ESG factor that your organisation incorporated into your equity valuation or fund construction and describe how that affected the returns of those assets.

Provide examples below:

(A) Example from your active listed equity:

Wood supply chain management and product lifecycle environmental impacts are two material sustainability factors relevant to the building products and furnishings industry. In evaluating their investment in a wood-alternative manufacturer of decking and railing, our US Growth team assigned a higher valuation multiple to the company largely as a result of the company's use of recycled plastic as its primary input material, which eliminates the need for wood and provides minimal environmental impact. The stock appreciated more than 80% over the past year, partially as a result of additional investors recognizing this value.

## Passive equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 10	N/A	PUBLIC	Passive equity	1

What percentage of your total passive listed equity assets utilise an ESG index or benchmark?

25-50%

## Reporting/Disclosure

## Sharing ESG information with stakeholders

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 14	CORE	OO 10	N/A	PUBLIC	Sharing ESG information with stakeholders	6

What ESG information is covered in your regular reporting to stakeholders such as clients or beneficiaries?

### (1) Passive equity

- |   |  |
|---|--|
| <p>(A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation</p> | <p>3) In a minority of our stakeholder reporting</p> |
| <p>(B) Our regular stakeholder reporting includes quantitative ESG engagement data</p>                            | <p>3) In a minority of our stakeholder reporting</p> |
| <p>(C) Our regular stakeholder reporting includes quantitative ESG incorporation data</p>                         | <p>3) In a minority of our stakeholder reporting</p> |

### (3) Active – fundamental

- (A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation

(B) Our regular stakeholder reporting includes quantitative ESG engagement data

---

3) In a minority of our stakeholder reporting

---

3) In a minority of our stakeholder reporting

(C) Our regular stakeholder reporting includes quantitative ESG incorporation data

3) In a minority of our stakeholder reporting

# Stewardship

## Voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15	CORE	OO 9 LE	LE 15.1, LE 16	PUBLIC	Voting policy	2

Does your organisation have a publicly available (proxy) voting policy? (The policy may be a standalone policy, part of a stewardship policy or incorporated into a wider RI policy.)

(A) Yes, we have a publicly available (proxy) voting policy Add link(s):

[http://vds.issproxy.com/59/policies/Proxy%20Voting%20Policies%20for%20DIFF%20\\_ISS%20Web%20Page%20\(Aug%2019\).pdf](http://vds.issproxy.com/59/policies/Proxy%20Voting%20Policies%20for%20DIFF%20_ISS%20Web%20Page%20(Aug%2019).pdf)

- (B) Yes, we have a (proxy) voting policy, but it is not publicly available
- (C) No, we do not have a (proxy) voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15.1	CORE	OO 9 LE, LE 15	N/A	PUBLIC	Voting policy	2

What percentage of your listed equity assets does your (proxy) voting policy cover?

(A) Actively managed listed equity covered by our voting policy (10) 81–90%

(B) Passively managed listed equity covered by our voting policy (11) 91–99%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 16	CORE	LE 15	N/A	PUBLIC	Voting policy	2

**Does your organisation's policy on (proxy) voting cover specific ESG factors?**

- (A) Our policy includes voting guidelines on specific governance factors Describe:
- (B) Our policy includes voting guidelines on specific environmental factors Describe:
- (C) Our policy includes voting guidelines on specific social factors Describe:
- (D) Our policy is high-level and does not cover specific ESG factors Describe:

## Alignment & effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 17	CORE	OO 9 LE	N/A	PUBLIC	Alignment & effectiveness	2

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

- 
- |  |                            |
|--|----------------------------|
| (A) We review service providers' controversial and high-profile voting recommendations before voting is executed                         | (3) in a minority of cases |
| (B) Before voting is executed, we review service providers' voting recommendations where the application of our voting policy is unclear | (3) in a minority of cases |
-

## Security lending policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18	CORE	OO 9 LE	LE 18.1, LE 18.2	PUBLIC	Security lending policy	2

Does your organisation have a public policy that states how voting is addressed in your securities lending programme? (The policy may be a standalone guideline or part of a wider RI or stewardship policy.)

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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18.1	CORE	LE 18	N/A	PUBLIC	Security lending policy	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items
- (B) We always recall all holdings in a company for voting on ballot items deemed important (e.g. in line with specific criteria)
- (C) We always recall some securities so that we can vote on their ballot items (e.g. in line with specific criteria)
- (D) We maintain some holdings so that we can vote at any time
- (E) We recall some securities on an ad hoc basis so that we can vote on their ballot items
- (F) We empower our securities lending agent to decide when to recall securities for voting purposes
- (G) Other, please specify:
- (H) We do not recall our securities for voting purposes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18.2	CORE	LE 18	N/A	PUBLIC	Security lending policy	2

**What exclusions do you apply to your organisation's securities lending programme?**

- (A) We do not lend out shares of companies that we are engaging with either individually or as a lead or support investor in collaborative engagements
- (B) We do not lend out shares of companies if we own more than a certain percentage of them
- (C) We do not lend out shares of companies in jurisdictions that do not ban naked short selling
- (D) We never lend out all our shares of a company to ensure that we always keep voting rights in-house
- (E) Other, please specify:
- (F) We do not exclude any particular companies from our securities lending programme

## Shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 19	CORE	OO 9 LE	N/A	PUBLIC	Shareholder resolutions	2

**Which of the following best describes your decision-making approach regarding shareholder resolutions, or that of your service provider(s) if decision-making is delegated to them?**

- (A) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors or on our stewardship priorities
- (B) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors but only if the investee company has not already committed publicly to the action requested in the proposal
- (C) In the majority of cases, we only support shareholder resolutions as an escalation tactic when other avenues for engagement with the investee company have not achieved sufficient progress
- (D) In the majority of cases, we support the recommendations of investee company management by default
- (E) In the majority of cases, we do not vote on shareholder resolutions

## Pre-declaration of votes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 20	CORE	OO 9 LE	N/A	PUBLIC	Pre-declaration of votes	2

How did your organisation or your service provider(s) pre-declare votes prior to AGMs/EGMs?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system
- (B) We pre-declared our voting intentions publicly (e.g. through our own website) Link to public disclosure:
- (C) We pre-declared our voting intentions publicly through the PRI's vote declaration system, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain
- (D) We pre-declared our voting intentions publicly, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain Link to public disclosure:
- (E) Prior to the AGM/EGM, we privately communicated our voting decision to investee companies in cases where we planned to vote against management proposals or abstain
- (F) We did not privately or publicly communicate our voting intentions
- (G) We did not cast any (proxy) votes during the reporting year

## Voting disclosure post AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21	CORE	OO 9 LE	LE 21.1	PUBLIC	Voting disclosure post AGM/EGM	2

Do you publicly report your (proxy) voting decisions, or those made on your behalf by your service provider(s), in a central source?

- (A) Yes, for >95% of (proxy) votes Link:
- (B) Yes, for the majority of (proxy) votes Link:  
13 <http://vds.issproxy.com/Policy.php?CustomerID=59>
- (C) Yes, for a minority of (proxy) votes 1) Add link and 2) Explain why you only publicly disclose a minority of (proxy) voting decisions:
- (D) No, we do not publicly report our (proxy) voting decisions Explain why you do not publicly report your (proxy) voting decisions:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21.1	CORE	LE 21	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

**In the majority of cases, how soon after an investee's AGM/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
LE 22	CORE	OO 9 LE	LE 22.1	PUBLIC	Voting disclosure post AGM/EGM	2

**Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions?**

- (A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company
- (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly
- (C) In cases where we voted against management recommendations or abstained, we did not communicate the rationale
- (D) We did not vote against management or abstain

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22.1	CORE	LE 22	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

**Indicate the proportion of votes where you and/or the service provider(s) acting on your behalf communicated the rationale for your voting decisions.**

- (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly (5) >95%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 23	CORE	OO 9 LE	LE 23.1	PUBLIC	Voting disclosure post AGM/EGM	2, 5

Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions when voting against a shareholder resolution proposed/filed by a PRI signatory?

- (A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly
- (B) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was not disclosed publicly
- (C) We did not vote against any shareholder resolution proposed/filed by a PRI signatory

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 23.1	CORE	LE 23	N/A	PUBLIC	Voting disclosure post AGM/EGM	2, 5

Indicate the proportion of votes where you and/or the service provider(s) acting on your behalf communicated the rationale for your voting decisions.

- (A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly (5) >95%

## Example

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 25	PLUS	OO 9 LE	N/A	PUBLIC	Example	2

Provide examples of the most significant (proxy) voting activities that your organisation and/or the service provider acting on your behalf carried out during the reporting year.

Provide examples below:

(A) Example 1:

Over the course of the past year, our investment teams have taken a direct interest in select votes regarding executive compensation. In these instances, the investment teams would speak with senior management of the corporation, obtain research from our primary proxy research provider as well as research from a secondary source, and consult with members of MIM's proxy voting committee. Subsequent to this consultation process, votes were cast to reflect our belief as to the result which would best suit our clients.

## Fixed Income (FI)

## Pre-investment phase

## Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 10	FI 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors for its fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, we have a formal process to identify material ESG factors for all of our assets	●	●	●	○
(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets	○	○	○	●
(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets	○	○	○	○
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion	○	○	○	○

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

○ ○ ○ ○ ○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1.1	CORE	FI 1	N/A	PUBLIC	Materiality analysis	1

How does your current investment process incorporate material ESG factors?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) The investment process incorporates material governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The investment process incorporates material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The investment process incorporates the effect of material ESG factors on revenues and business operations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

# ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 10	FI 2.1	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) Investment committee members, or the equivalent function/group, have a qualitative ESG veto	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Other method of incorporating ESG factors into risk management process, please specify below:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a process to incorporate ESG factors into our portfolio risk management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please specify for "(D) Other method of incorporating ESG factors into risk management process".

Qualitative assessment of ESG risks and factors is undertaken as part of due diligence for all.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2.1	CORE	FI 2	N/A	PUBLIC	ESG risk management	1

**For what proportion of your fixed income assets are material ESG factors incorporated into your portfolio risk management process?**

**(1) SSA**

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits (1) for all of our assets

(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors (2) for the majority of our assets

**(2) Corporate**

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits (1) for all of our assets

(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors (2) for the majority of our assets

**(3) Securitised**

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits (1) for all of our assets

(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors (2) for the majority of our assets

**(4) Private debt**

(A) Investment committee members, or the equivalent function/group, have a qualitative ESG veto (1) for all of our assets

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits (1) for all of our assets

(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors (2) for the majority of our assets

(D) Other method of incorporating ESG factors into risk management process (3) for a minority of our assets

## ESG incorporation in asset valuation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 10	FI 3.1	PUBLIC	ESG incorporation in asset valuation	1

How do you incorporate the evolution of ESG factors into your fixed income asset valuation process?

(1) SSA (2) Corporate (3) Securitised (4) Private debt

(A) We incorporate it into the forecast of cash flow, revenues and profitability

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer

(C) We do not incorporate the evolution of ESG factors into our fixed income asset valuation process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3.1	CORE	FI 3	N/A	PUBLIC	ESG incorporation in asset valuation	1

**In what proportion of cases do you incorporate the evolution of ESG factors into your fixed income asset valuation process?**

**(1) SSA**

(A) We incorporate it into the forecast of cash flow, revenues and profitability (1) in all cases

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (1) in all cases

**(2) Corporate**

(A) We incorporate it into the forecast of cash flow, revenues and profitability (1) in all cases

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (1) in all cases

**(3) Securitised**

(A) We incorporate it into the forecast of cash flow, revenues and profitability (1) in all cases

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (1) in all cases

**(4) Private debt**

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (3) in a minority of cases

## Performance monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	PLUS	OO 5.2 FI, OO 10	N/A	PUBLIC	Performance monitoring	1

Provide an example of an ESG factor that your organisation incorporated into your fixed income valuation or portfolio construction and describe how that affected the returns of those assets.

**Example:**

(A) Example from your active management strategies:

We avoided exposure to a major aircraft manufacturer due to governance concerns in the company's design operations. This manufacturer of commercial airplanes has historically benefited from leading market share, secular growth in aviation demand, and a conservative A-rated balance sheet. In 2019, however, two of their planes crashed based on design and training errors of the aircraft model involved in the crashes. Our total return strategies exited exposure following these crashes, and we have avoided investing in the company since. As more information has emerged about the causes of the plane crashes, we became concerned over possible governance concerns at the company that may have resulted in a more dangerous product for consumers. Subsequent to the crashes, the company's bonds underperformed as the financial strain from grounding future flights of the aircraft models in question materially weakened the company and raised the possibility of a downgrade to high yield.

## ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 10	FI 5.1	PUBLIC	ESG incorporation in portfolio construction	1
<b>How do ESG factors influence your portfolio construction?</b>						
		(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt	
(A) The selection of individual assets within our portfolio is influenced by ESG factors		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B) The holding period of individual assets within our portfolio is influenced by ESG factors		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(E) Other expressions of conviction, please specify below:		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5.1	CORE	FI 5	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**In what proportion of cases do ESG factors influence your portfolio construction?**

**(1) SSA**

- 
- |  |                              |
|--|------------------------------|
| (A) The selection of individual assets within our portfolio is influenced by ESG factors   | (1) in all cases             |
| (B) The holding period of individual assets within our portfolio is influenced by ESG factors  | (1) in all cases             |
| (C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors                        | (1) in all cases             |
| (D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process | (2) in the majority of cases |
- 

**(2) Corporate**

- 
- |  |                              |
|--|------------------------------|
| (A) The selection of individual assets within our portfolio is influenced by ESG factors   | (1) in all cases             |
| (B) The holding period of individual assets within our portfolio is influenced by ESG factors  | (1) in all cases             |
| (C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors                        | (1) in all cases             |
| (D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process | (2) in the majority of cases |
- 

**(3) Securitised**

- 
- |  |                  |
|--|------------------|
| (A) The selection of individual assets within our portfolio is influenced by ESG factors | (1) in all cases |
|--|------------------|
-

(B) The holding period of individual assets within our portfolio is influenced by ESG factors (1) in all cases

#### **(4) Private debt**

(A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(B) The holding period of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (2) in the majority of cases

(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process (2) in the majority of cases

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Please provide two examples of how ESG factors have influenced weightings and tilts in either passive or active fixed income.

**Please provide examples below:**

(A) Example 1:

Increasing emphasis on carbon emissions reduction in countries such as India and Panama has driven our Emerging Markets Debt team to place emphasis on finding investment opportunities in renewables.

(B) Example 2:

Several ESG factors kept our Corporate Bond team cautious on a large mining company, despite its large scale, diversified operations. These include considerable coal exposure, an aggressive management team and capital policy, and other items that call management into question such as bribery allegations in Congo.

## ESG incorporation in assessment of issuers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 10	N/A	PUBLIC	ESG incorporation in assessment of issuers	1
When assessing issuers'/borrowers' credit quality, how does your organisation incorporate material ESG risks in the majority of cases?						
		(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt	
(A) In the majority of cases, we incorporate material governance-related risks		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) In addition to incorporating governance-related risks, in the majority of cases we also incorporate material environmental and social risks		<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(C) We do not incorporate material ESG risks for the majority of our credit quality assessments of issuers/borrowers		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 10	N/A	PUBLIC	ESG performance	1

In the majority of cases, how do you assess the relative ESG performance of a borrower within a peer group as part of your investment process?

	(1) SSA	(2) Corporate	(3) Securitised
(A) We use the relative ESG performance of a borrower to adjust the internal credit assessments of borrowers by modifying forecasted financials and future cash flow estimates	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We use the relative ESG performance of a borrower to make relative sizing decisions in portfolio construction	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We use the relative ESG performance of a borrower to screen for outliers when comparing credit spreads to ESG relative performance within a similar peer group	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We consider the ESG performance of a borrower only on a standalone basis and do not compare it within peer groups of other benchmarks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We do not have an internal ESG performance assessment methodology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	CORE	OO 10	FI 9.1	PUBLIC	ESG risk management	1

For your corporate fixed income, does your organisation have a framework that differentiates ESG risks by issuer country and sector?

- (A) Yes, it differentiates ESG risks by country/region (for example, local governance and labour practices)
- (B) Yes, it differentiates ESG risks by sector
- (C) No, we do not have a framework that differentiates ESG risks by issuer country/region and sector

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9.1	CORE	FI 9	N/A	PUBLIC	ESG risk management	1

For what proportion of your corporate fixed income assets do you apply your framework for differentiating ESG risks by issuer country/sector?

	(1) for all of our corporate fixed income assets	(2) for the majority of our corporate fixed income assets	(3) for a minority of our corporate fixed income assets
(A) We differentiate ESG risks by country/region (for example, local governance and labour practices)	●	○	○
(B) We differentiate ESG risks by sector	●	○	○

## Private debt

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10	CORE	OO 10	FI 10.1	PUBLIC	Private debt	1

Indicate how your organisation incorporates ESG factors when selecting private debt investments during the due diligence phase.

- (A) We use a qualitative ESG checklist
- (B) We assess quantitative ESG data, such as energy consumption, carbon footprint and gender diversity
- (C) We require that the investment has its own ESG policy
- (D) We hire specialised third parties for additional ESG assessments
- (E) We require the review and sign-off of our ESG due diligence process by our investment committee or the equivalent function
- (F) Other method of incorporating ESG into the selection of private debt during due diligence (please specify below):
- (G) We do not incorporate ESG factors when selecting private debt during the due diligence phase

Please specify "(F) Other method of incorporating ESG into selection of private debt during due diligence".

In-depth Due Diligence, including technical DD, and subject to sensitive sector escalation for independent assessment by Sustainability experts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10.1	CORE	FI 10	N/A	PUBLIC	Private debt	1

In what proportion of cases do you incorporate ESG factors when selecting private debt investments during the due diligence phase?

	<b>(1) in all cases</b>	<b>(2) in the majority of cases</b>	<b>(3) in a minority of cases</b>
(A) We use a qualitative ESG checklist	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) We assess quantitative ESG data, such as energy consumption, carbon footprint and gender diversity	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(C) We require that the investment has its own ESG policy	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(D) We hire specialised third parties for additional ESG assessments	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(E) We require the review and sign off of our ESG due diligence process by our investment committee, or the equivalent function	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Other method of incorporating ESG into the selection of private debt during due diligence	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

## Securitised products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 10	N/A	PUBLIC	Securitised products	1

How do you incorporate ESG factors into the financial analysis of securitised products?

- (A) We analyse ESG risks and returns for both the issuer or debtor and the underlying collateral or asset pool
- (B) We perform ESG analysis that covers the issuer or debtor only
- (C) We perform ESG analysis that covers the underlying collateral or asset pool only
- (D) We do not incorporate ESG factors into the financial analysis of securitised products

## Post-investment phase

### ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do your regular reviews incorporate ESG risks?

(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
---------	---------------	-----------------	------------------

- 
- |   |                                     |                                     |                          |                                     |
|---|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|
| (A) Our regular reviews include quantitative information on material ESG risks specific to individual fixed income assets | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |
| (C) Our regular reviews only highlight fund holdings where ESG ratings have changed                                       | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/>            |
-



## Time horizons

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	CORE	OO 10	N/A	PUBLIC	Time horizons	1

In the majority of cases, how does your investment process account for differing time horizons of holdings and how they may affect ESG factors?

	(1) SSA	(2) Corporate	(3) Securitised
(A) We take into account current risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We take into account medium-term risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We take into account long-term risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not take into account differing time horizons of holdings and how they may affect ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) We monitor long-term ESG trends for all of our assets	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

(B) We monitor long-term ESG trends for the majority of our assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) We monitor long-term ESG trends for a minority of our assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) We do not continuously monitor long-term ESG trends in our investment process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## Examples of leading practice

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	PLUS	OO 10	N/A	PUBLIC	Examples of leading practice	1 to 6

Describe any leading responsible investment practices that you have adopted for some or all of your fixed income assets.

### Description per fixed income asset type:

(B) Corporate

Active consideration of current and emerging ESG issues is consistent with our team's investment philosophy of maintaining a capital preservation bias by avoiding issuers that may suffer credit quality deterioration. Integrated assessment of ESG factors is deployed throughout the security selection investment process. We have developed a number of proprietary metrics, such as measuring emissions efficiency, to assist in issuer assessment and we assign a proprietary ESG risk rating to all issuers.

(C) Securitised

Our dedicated investment research team have undertaken specialized ESG research to guide our investment processes. Our research highlights that an integrated approach to incorporating ESG factors into the investment processes adds value to a portfolio above and beyond simple ESG score style filters. This ultimately improves investment returns as we can avoid exposure to issuers where ESG may be an additional risk and is not adequately compensated for or managed.

# Engagement

## Engaging with issuers/borrowers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22	CORE	OO 9 FI	FI 22.1	PUBLIC	Engaging with issuers/borrowers	2

At which stages does your organisation engage with issuers/borrowers?

	(1) SSA	(2) Corporate	(3) Securitised	(4) Private debt
(A) At the pre-issuance/pre-deal stage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) At the pre-investment stage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) During the holding period	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) At the refinancing stage	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) When issuers/borrowers default	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22.1	PLUS	FI 22	N/A	PUBLIC	Engaging with issuers/borrowers	2

Describe your approach to engagement.

Engagement approach per fixed income asset type or general description for all your fixed income engagement:

(D) Description of engagement approach for our corporate fixed income

Central to our belief amongst all our fixed income capabilities is a commitment to proprietary, in-depth fundamental research. Inherent in this commitment is a strong focus on the management of downside risk, considering capital preservation to be paramount. Aspects of our credit analysis include visits, meetings and calls with company management where we discuss economic, competitive and other factors that may influence future revenues and earnings of the issuer, including factors that have been identified as material from an ESG perspective.

(E) Description of engagement approach for our private debt fixed income

As a lender, engagement activities are limited depending on the Borrower. Where possible, as a lender Private Credit will look to discuss the approach to managing specific ESG risks. During the life of the investment, portfolio monitoring will consider any ESG issues. Private Credit will engage with the Borrower should any actions be required to mitigate ESG risk and any impact on the creditworthiness of the portfolio.

## Sovereign bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 23	CORE	OO 9 FI	N/A	PUBLIC	Sovereign bonds	2

For the majority of your sovereign bond engagements, which non-issuer stakeholders do you engage with to promote your engagement objectives?

- (A) Non-ruling parties
- (B) Originators and primary dealers
- (C) Index and ESG data providers
- (D) Multinational companies/state-owned enterprises (SOEs)
- (E) Supranational organisations
- (F) Credit rating agencies (CRAs)
- (G) Business associations
- (H) Media
- (I) NGOs, think tanks and academics
- (J) Other non-issuer stakeholders, please specify:
- (K) We do not engage with any of the above stakeholders for the majority of our sovereign bond engagements

# Real Estate (RE)

## Policy

### Investment guidelines

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 1	CORE	OO 24, OO 26	N/A	PUBLIC	Investment guidelines	1 to 6

What real estate-specific ESG guidelines are currently covered in your organisation's responsible investment policies?

- (A) Guidelines on our ESG approach to real estate depending on use (e.g. retail, education etc.)
- (B) Guidelines on our ESG approach to new construction
- (D) Guidelines on our ESG approach to standing real estate investments
- (E) Guidelines on our engagement approach related to property managers
- (F) Guidelines on our engagement approach related to tenants
- (G) Guidelines on our engagement approach related to construction contractors
- (H) Guidelines on excluding certain tenants based on responsible investment considerations
- (I) Our policies do not cover real estate-specific ESG guidelines

## Fundraising

### Commitments to investors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 2	CORE	N/A	N/A	PUBLIC	Commitments to investors	1, 4

For all of your funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs) or side letters? (If you did not close any funds during this reporting year, refer to the last reporting year in which you did close funds.)

- (A) We incorporated responsible investment commitments in LPAs as a standard, default procedure
- (B) We added responsible investment commitments in LPAs upon client request
- (C) We added responsible investment commitments in side letters upon client request
- (D) We did not make any formal responsible investment commitments for the relevant reporting year

- (E) Not applicable as we have never raised funds
- (F) Not applicable as we have not raised funds in the last 5 years

## Pre-investment phase

### Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3	CORE	N/A	RE 3.1	PUBLIC	Materiality analysis	1

During the reporting year, how did you conduct ESG materiality analysis for your potential real estate investments?

- |  |   |
|--|---|
| (A) We assessed materiality at the asset level, as each case is unique       | (1) for all of our potential real estate investments  |
| (B) We performed a mix of property type and asset-level materiality analysis | (4) for none of our potential real estate investments |
| (C) We assessed materiality according to property type only                  | (4) for none of our potential real estate investments |

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 3.1	CORE	RE 3	N/A	PUBLIC	Materiality analysis	1

During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential real estate investments?

- (A) We used GRI Standards to inform our real estate materiality analysis
- (B) We used SASB to inform our real estate materiality analysis
- (C) We used climate risk disclosures such as the TCFD recommendations (or other climate risk analysis tools) to inform our real estate materiality analysis
- (D) We used geopolitical and macro-economic considerations in our real estate materiality analysis
- (E) Other, please specify:  
ESG materiality analyses conducted as part of acquisition due diligence investigations undertaken for all real estate transactions during the reporting period.

## Due diligence

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 4	CORE	N/A	N/A	PUBLIC	Due diligence	1
<b>During the reporting year, how did ESG factors affect the selection of your real estate investments?</b>						
(A) ESG factors helped identify risks					(1) for all of our potential real estate investments	
(B) ESG factors were discussed by the investment committee (or equivalent)					(1) for all of our potential real estate investments	
(C) ESG factors helped identify remedial actions for our 100-day plans (or equivalent)					(1) for all of our potential real estate investments	
(D) ESG factors helped identify opportunities for value creation					(1) for all of our potential real estate investments	
(E) ESG factors led to the abandonment of potential investments					(1) for all of our potential real estate investments	
(F) ESG factors impacted investments in terms of price offered and/or paid by having an effect on revenue assumptions					(1) for all of our potential real estate investments	
(G) ESG factors impacted investments in terms of price offered and/or paid by having an effect on CAPEX assumptions					(1) for all of our potential real estate investments	
(H) ESG factors impacted investments in terms of price offered and/or paid by having an effect on OPEX assumptions					(1) for all of our potential real estate investments	
(I) ESG factors impacted investments in terms of price offered and/or paid by having an effect on the cost of capital or discount rate assumptions					(4) for none of our potential real estate investments	
(J) Other, please specify:					(1) for all of our potential real estate investments	
	N/A					

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 5	CORE	N/A	N/A	PUBLIC	Due diligence	1
<b>Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential investments?</b>						
(A) We do a high-level/desktop review against an ESG checklist for initial red flags					(1) for all of our potential real estate investments	
(B) We send detailed ESG questionnaires to target properties					(1) for all of our potential real estate investments	
(C) We hire third-party consultants to do technical due diligence on specific issues					(1) for all of our potential real estate investments	
(D) We conduct site visits and in-depth interviews with management and personnel					(1) for all of our potential real estate investments	
(E) We incorporate actions based on the risks and opportunities identified in the due diligence process into our post-investment plans					(1) for all of our potential real estate investments	
(F) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as for other key due diligence (e.g. commercial, accounting and legal)					(1) for all of our potential real estate investments	
(G) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence (e.g. commercial, accounting and legal)					(1) for all of our potential real estate investments	
(H) Other, please specify:	N/A				(1) for all of our potential real estate investments	

# Selection, appointment and monitoring of third-party property managers

## Selection process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 6	CORE	OO 26	N/A	PUBLIC	Selection process	1, 4

During the reporting year, how did you include ESG factors in all of your selections of external property managers? (If you did not select external property managers during the reporting year, report on the most recent year in which you selected external property managers.)

- (A) We requested information from potential managers on their overall approach to ESG
- (B) We requested track records and examples from potential managers on how they manage ESG factors
- (C) We requested information from potential managers on their engagement process(es) with stakeholders
- (D) We requested documentation from potential managers on their responsible procurement practices (including responsibilities, approach and incentives)
- (E) We requested the assessment of current and planned availability and aggregation of metering data from potential managers
- (F) Other, please specify:
- (G) We did not include ESG factors in our selection of external property managers

## Appointment process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 7	CORE	OO 26	N/A	PUBLIC	Appointment process	1, 4

How did you include ESG factors in the appointment of your current external property managers?

- (A) We set dedicated ESG procedures in all relevant property management phases (4) for none of our external property managers
- (B) We set clear ESG reporting requirements (4) for none of our external property managers
- (C) We set clear ESG performance targets (4) for none of our external property managers

(D) We set incentives related to ESG targets	(4) for none of our external property managers
(E) We included responsible investment clauses in property management contracts	(4) for none of our external property managers
(F) Other, please specify: N/A	(1) for all of our external property managers

## Monitoring process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 8	CORE	OO 26	N/A	PUBLIC	Monitoring process	1, 4

### How do you include ESG factors in the monitoring of external property managers?

(A) We monitor performance against quantitative and/or qualitative environmental targets	(4) for none of our external property managers
(B) We monitor performance against quantitative and/or qualitative social targets	(4) for none of our external property managers
(C) We monitor performance against quantitative and/or qualitative governance targets	(4) for none of our external property managers
(D) We monitor progress reports on engagement with tenants	(1) for all of our external property managers
(E) We require formal reporting on an annual basis as a minimum	(1) for all of our external property managers
(F) We have regular discussions about ESG factors with all relevant stakeholders	(2) for the majority of our external property managers
(G) We conduct a performance review of key staff based on ESG alignment linked to KPIs and a financial incentive structure	(4) for none of our external property managers
(H) We have internal/external parties conduct site visits at least once a year	(1) for all of our external property managers

(I) Other, please specify:

N/A

(1) for all of our external property managers

# Construction and development

## Construction requirements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 9	CORE	OO 24	N/A	PUBLIC	Construction requirements	1

What sustainability requirements do you currently have in place for all development projects and major renovations?

- (A) We require the management of waste by diverting construction and demolition materials from disposal
- (B) We require the management of waste by diverting reusable vegetation, rocks and soil from disposal
- (C) We require the minimisation of light pollution to the surrounding community
- (D) We require the minimisation of noise pollution to the surrounding community
- (E) We require the performance of an environmental site assessment
- (F) We require the protection of the air quality during construction
- (G) We require the protection and restoration of the habitat and soils disturbed during construction and/or during previous development
- (H) We require the protection of surface and ground water and aquatic ecosystems by controlling and retaining construction pollutants
- (I) We require the constant monitoring of health and safety at the construction site
- (J) Other, please specify:
- (K) We do not have sustainability requirements in place for development projects and major renovations

## Minimum building requirements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 10	CORE	OO 24	N/A	PUBLIC	Minimum building requirements	1

**What minimum building requirements do you have in place for development projects and major renovations?**

- (A) We require the implementation of the latest available metering and IoT technology (4) for none of our development projects and major renovations
- (B) We require that the building be able to obtain a recognised green building certification for new buildings (1) for all development projects and major renovations
- (C) We require the use of certified (or labelled) sustainable building materials (1) for all development projects and major renovations
- (D) We require the installation of renewable energy technologies where feasible (4) for none of our development projects and major renovations
- (E) We require that development projects and major renovations become net-zero carbon emitters within five years of completion of the construction (4) for none of our development projects and major renovations
- (F) We require water conservation measures (1) for all development projects and major renovations
- (G) We require common occupant health and well-being measures (1) for all development projects and major renovations
- (H) Other, please specify: (1) for all development projects and major renovations  
N/A

# Post-investment phase

## Monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 11	CORE	N/A	N/A	PUBLIC	Monitoring	1

During the reporting year, what ESG building performance data did you collect for your real estate assets?

### Through metering

- |                             |  |
|-----------------------------|--|
| (A) Electricity consumption | (2) for the majority of our real estate assets |
| (B) Water consumption       | (2) for the majority of our real estate assets |
| (C) Waste production        | (4) for none of our real estate assets         |

### Through another method

- |                             |  |
|-----------------------------|--|
| (A) Electricity consumption | (4) for none of our real estate assets         |
| (B) Water consumption       | (4) for none of our real estate assets         |
| (C) Waste production        | (2) for the majority of our real estate assets |

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 12	CORE	N/A	N/A	PUBLIC	Monitoring	1

**For the majority of the core KPIs that you tracked, how did you set targets across your real estate investments?**

- (A) We set targets to achieve incremental improvements based on past performance**
- (B) We set targets using industry benchmarks/standards
- (C) We set targets against global benchmarks or thresholds (e.g. on climate change and/or the SDGs)**
- (D) We did not set targets for the core ESG KPIs that we tracked
- (E) We did not set targets as we don't track core ESG KPIs

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13	CORE	OO 26	RE 13.1	PUBLIC	Monitoring	1, 2

**What processes do you have in place to support meeting your ESG targets for your real estate investments?**

- |   |   |
|---|---|
| (A) We use operational-level benchmarks to assess and analyse the performance of assets against sector performance              | (2) for the majority of our real estate investments |
| (B) We implement certified environmental and social management systems across our portfolio                                     | (2) for the majority of our real estate investments |
| (C) We make sufficient budget available to ensure that the systems and procedures needed to achieve the target are put in place | (2) for the majority of our real estate investments |
| (D) We hire external verification services to audit performance, systems and procedures   | (2) for the majority of our real estate investments |
| (E) We collaborate and engage with our external property managers to develop action plans to achieve targets                    | (1) for all of our real estate investments          |
| (F) We develop minimum health and safety standards  | (1) for all of our real estate investments          |
| (G) Other, please specify:<br>N/A   | (1) for all of our real estate investments          |

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 13.1	PLUS	RE 13	N/A	PUBLIC	Monitoring	1, 2

**Describe up to two processes that you put in place during the reporting year to support meeting your ESG targets.**

#### **Processes to support meeting ESG targets**

(A) Process 1	Annual business plans for MIRA Real Estate assets must now include an overview of the ESG credentials and strategic outlook for the property. This may include, but is not limited to, green building certifications (e.g. LEED, BREEAM), capital expenditure on ESG measures (e.g. lighting, building systems, HVAC, insulation), changes in operational approach (e.g. green cleaning programs), tenant engagement activities or wellbeing measures. The business plan should acknowledge the intention behind the ESG activities (for example, alignment with strategy), as well as summarize any anticipated commercial impacts to the investment case
(B) Process 2	A standalone ESG due diligence report is now mandatory for all equity fund transactions (supplementary to environmental and technical due diligence).

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 14	CORE	N/A	N/A	PUBLIC	Monitoring	1, 2

**Post-investment, how do you manage material ESG-related risks and opportunities to create value during the holding period of your investments?**

(A) We develop property-specific ESG action plans based on pre-investment research, due diligence and materiality findings	(1) for all of our real estate investments
(B) We adjust our ESG action plans regularly based on performance monitoring findings	(2) for the majority of our real estate investments
(C) We hire external advisors to provide support with specific ESG value creation opportunities	(1) for all of our real estate investments

(D) Other, please specify:	N/A	(1) for all of our real estate investments
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 16	CORE	N/A	N/A	PUBLIC	Monitoring	1

**What proportion of your real estate assets have obtained an ESG/RI certification or label?**

- (A) All of our real estate assets have obtained an ESG/RI certification or label
- (B) The majority of our real estate assets have obtained an ESG/RI certification or label
- (C) A minority of our real estate assets have obtained an ESG/RI certification or label
- (D) None of our real estate assets have obtained an ESG/RI certification or label

## Stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 17	CORE	OO 26	N/A	PUBLIC	Stewardship	1, 2

**How does your property manager engage with tenants? (If you are a property manager, please report on your direct tenant engagement.)**

### Tenants without operational control

(A) We engage with real estate tenants through organising tenant events focused on increasing sustainability awareness, ESG training and guidance	(2) for the majority of our buildings or properties
(B) We engage with real estate tenants on energy and water consumption and/or waste production	(2) for the majority of our buildings or properties
(C) We engage with real estate tenants by offering green leases	(1) for all of our buildings or properties
(D) We engage with real estate tenants through identifying collaboration opportunities that support net-zero targets	(3) for a minority of our buildings or properties
(E) We engage with real estate tenants by offering shared financial benefits from equipment upgrades	(4) for none of our buildings or properties

(F) Other, please specify:

N/A

(1) for all of our buildings or properties

## Exit

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 18	CORE	N/A	N/A	PUBLIC	Exit	4, 6

**During the reporting year, what responsible investment information has your organisation shared with potential buyers of real estate investments?**

(A) We shared our firm's high-level commitment to responsible investment (e.g. that we are a PRI signatory)

(1) for all of our real estate investments

(B) We shared a description of what industry and asset class standards our firm aligns with (e.g. TCFD, GRESB)

(4) for none of our real estate investments

(C) We shared our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)

(4) for none of our real estate investments

(D) We shared our firm's ESG risk assessment methodology (topics covered, in-house and/or with external support)

(1) for all of our real estate investments

(E) We shared the outcome of our latest ESG risk assessment on the property(s)

(1) for all of our real estate investments

(F) We shared key ESG performance data on the property(s) being sold

(1) for all of our real estate investments

(G) Other, please specify:

N/A

(1) for all of our real estate investments

# Reporting/Disclosure

## ESG portfolio information

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
RE 19	CORE	N/A	N/A	PUBLIC	ESG portfolio information	6

During the reporting year, how did you report on core ESG data and targets to your investors or beneficiaries?

- (A) We reported in aggregate through a publicly disclosed sustainability report
- (B) We reported in aggregate through formal reporting to investors or beneficiaries
- (C) We reported at the property level through formal reporting to investors or beneficiaries
- (D) We reported through a limited partners advisory committee (or equivalent)
- (E) We reported back at digital or physical events or meetings with investors or beneficiaries
- (F) We did ad hoc or informal reporting on serious ESG incidents
- (G) Other, please specify:
- (H) We did not report on core ESG data and targets to our investors or beneficiaries during the reporting year

## Infrastructure (INF)

## Policy

### Investment guidelines

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 1	CORE	OO 31, OO 32	N/A	PUBLIC	Investment guidelines	1 to 6

What infrastructure-specific ESG guidelines are currently covered in your organisation's responsible investment policies?

- (A) Guidelines on how we adapt our ESG approach for each infrastructure sector we invest in
- (C) Guidelines on our ESG approach to standing investments or operating assets
- (D) Guidelines on our engagement approach related to workforce
- (F) Guidelines on our engagement approach related to contractors
- (G) Guidelines on our engagement approach related to other external stakeholders (e.g. government, local communities and end-users)
- (H) Our policies do not cover infrastructure-specific ESG guidelines

# Fundraising

## Commitments to investors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 2	CORE	N/A	N/A	PUBLIC	Commitments to investors	1, 4

For all of your funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs) or side letters? (If you did not close any funds during this reporting year, refer to the last reporting year in which you did close funds.)

- (A) We incorporated responsible investment commitments in LPAs as a standard, default procedure
- (B) We added responsible investment commitments in LPAs upon client request
- (C) We added responsible investment commitments in side letters upon client request
- (D) We did not make any formal responsible investment commitments for the relevant reporting year
- (E) Not applicable as we have never raised funds
- (F) Not applicable as we have not raised funds in the last 5 years

## Pre-investment phase

## Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 3	CORE	N/A	INF 3.1	PUBLIC	Materiality analysis	1

During the reporting year, how did you conduct ESG materiality analysis for your potential infrastructure investments?

- (A) We assessed materiality at the asset level, as each case is unique (1) for all of our potential infrastructure investments
- (B) We performed a mix of industry-level and asset-level materiality analysis (4) for none of our potential infrastructure investments
- (C) We assessed materiality at the industry level only (4) for none of our potential infrastructure investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 3.1	CORE	INF 3	N/A	PUBLIC	Materiality analysis	1

**During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential infrastructure investments?**

- (A) We used GRI Standards to inform our infrastructure materiality analysis
- (B) We used SASB to inform our infrastructure materiality analysis
- (C) We used GRESB Materiality Assessment (RC7) or similar in our infrastructure materiality analysis
- (D) We used environmental and social factors detailed in the IFC Performance Standards (or other similar standards) in our infrastructure materiality analysis
- (E) We used climate risk disclosures such as the TCFD recommendations (or other climate risk analysis tools) to inform our infrastructure materiality analysis
- (F) We used geopolitical and macro-economic considerations in our infrastructure materiality analysis
- (G) Other, please specify:

## Due diligence

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 4	CORE	N/A	N/A	PUBLIC	Due diligence	1
<b>During the reporting year, how did ESG factors affect the selection of your infrastructure investments?</b>						
(A) ESG factors helped identify risks					(1) for all of our infrastructure investments selected	
(B) ESG factors were discussed by the investment committee (or equivalent)					(1) for all of our infrastructure investments selected	
(C) ESG factors helped identify remedial actions for our 100-day plans (or equivalent)					(1) for all of our infrastructure investments selected	
(D) ESG factors helped identify opportunities for value creation					(1) for all of our infrastructure investments selected	
(E) ESG factors led to the abandonment of potential investments					(1) for all of our infrastructure investments selected	
(F) ESG factors impacted investments in terms of price offered and/or paid by having an effect on revenue assumptions					(1) for all of our infrastructure investments selected	

(G) ESG factors impacted investments in terms of price offered and/or paid by having an effect on CAPEX assumptions	(1) for all of our infrastructure investments selected
(H) ESG factors impacted investments in terms of price offered and/or paid by having an effect on OPEX assumptions	(1) for all of our infrastructure investments selected
(I) ESG factors impacted investments in terms of price offered and/or paid by having an effect on the cost of capital or discount rate assumptions	(1) for all of our infrastructure investments selected
(J) Other, please specify:  N/A	(1) for all of our infrastructure investments selected

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 5	CORE	N/A	N/A	PUBLIC	Due diligence	1

**Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential investments?**

(A) We do a high-level/desktop review against an ESG checklist for initial red flags	(1) for all of our potential infrastructure investments
(B) We send detailed ESG questionnaires to target assets	(3) for a minority of our potential infrastructure investments
(C) We hire third-party consultants to do technical due diligence on specific issues	(1) for all of our potential infrastructure investments
(D) We conduct site visits and in-depth interviews with management and personnel	(1) for all of our potential infrastructure investments
(E) We incorporate actions based on the risks and opportunities identified in the due diligence process into the 100-day plan (or equivalent)	(1) for all of our potential infrastructure investments
(F) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as for other key due diligence (e.g. commercial, accounting and legal)	(1) for all of our potential infrastructure investments

(G) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence (e.g. commercial, accounting and legal)

(1) for all of our potential infrastructure investments

(H) Other, please specify:

Where warranted, we undertake enhanced due diligence involving more research, investigation and input from both in-house and external experts to better understand ESG issues and develop potential solutions to address these ESG issues post-acquisition should the transaction proceed.

(1) for all of our potential infrastructure investments

## Post-investment phase

### Monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 9	CORE	N/A	INF 9.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more core ESG KPIs across all your infrastructure investments?

- (A) Yes, we tracked environmental KPIs
- (B) Yes, we tracked social KPIs
- (C) Yes, we tracked governance KPIs
- (D) We did not track ESG KPIs across our infrastructure investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 10	CORE	N/A	N/A	PUBLIC	Monitoring	1

For the majority of the core KPIs that you tracked, how did you set targets across your infrastructure investments?

- (A) We set targets to achieve incremental improvements based on past performance
- (B) We set targets using industry benchmarks or standards
- (C) We set targets against global benchmarks or thresholds (e.g. on climate change and/or the SDGs)
- (D) We did not set targets for the core ESG KPIs that we track
- (E) We did not set targets as we don't track core ESG KPIs

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 11	CORE	OO 32	INF 11.1	PUBLIC	Monitoring	1,2
<b>What processes do you have in place to support meeting your ESG targets for your infrastructure investments?</b>						
(A) We use operational-level benchmarks to assess and analyse the performance of assets against sector performance					1/ For all of our infrastructure investments	
(B) We implement international best practice standards such as the IFC Performance Standards to guide ongoing assessment and analysis					4/ For none of our infrastructure investments	
(C) We implement certified environmental and social management systems across our portfolio					2/ For the majority of our infrastructure investments	
(D) We make sufficient budget available to ensure that the systems and procedures needed to achieve the target are put in place					2/ For the majority of our infrastructure investments	
(E) We hire external verification services to audit performance, systems and procedures					4/ For none of our infrastructure investments	
(G) We develop minimum health and safety standards					1/ For all of our infrastructure investments	
(H) We conduct ongoing engagement with all key stakeholders (e.g. local communities, NGOs, governments and end-users)					1/ For all of our infrastructure investments	
(I) Other, please specify:	N/A				1/ For all of our infrastructure investments	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 11.1	PLUS	INF 11	N/A	PUBLIC	Monitoring	1,2

**Describe up to two processes that you put in place during the reporting year to support meeting your ESG targets.**

#### **Processes to support meeting ESG targets**

Value creation through sustainable initiatives

**(A) Process 1**

A major focus over the past year has been harnessing value conferred by sustainability initiatives and projects. We encourage our portfolio companies to identify sustainability initiatives that improve the value of their businesses – and supported them in implementation. Acquisition due diligence providers are asked to evaluate sustainability opportunities as well as risks, and strategic sustainability opportunities are then presented to the relevant Investment Committee as part of each investment proposal.

**(B) Process 2**

Decarbonising our portfolio In 2019, we launched a global programme to collect quarterly emissions and energy data from our infrastructure portfolio assets. This data will be used to: Compare performance within industries to identify challenges, solutions and opportunities; set targets; and track progress over time.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 12	CORE	N/A	N/A	PUBLIC	Monitoring	1, 2

**Post-investment, how do you manage material ESG-related risks and opportunities to create value during the holding period of your investments?**

(A) We develop company-specific ESG action plans based on pre-investment research, due diligence and materiality findings

(1) for all of our infrastructure investments

(B) We adjust our ESG action plans regularly based on performance monitoring findings

(1) for all of our infrastructure investments

(C) We hire external advisors to provide support with specific ESG value creation opportunities	(1) for all of our infrastructure investments
(D) Other, please specify: N/A	(1) for all of our infrastructure investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 14	CORE	N/A	INF 14.1	PUBLIC	Monitoring	1, 2

**How do you ensure that adequate ESG-related competence exists at the asset level?**

(A) We assign the board responsibility for ESG matters	(2) for the majority of our infrastructure investments
(B) We mandate that material ESG matters are discussed by the board at least once a year	(1) for all of our infrastructure investments
(C) We provide training on ESG aspects and management best practices relevant to the asset to C-suite executives only	(1) for all of our infrastructure investments
(D) We provide training on ESG aspects and management best practices relevant to the asset to employees (excl. C-suite executives)	(1) for all of our infrastructure investments
(E) We support the asset in developing and implementing its ESG strategy	(1) for all of our infrastructure investments
(F) We support the asset by finding external ESG expertise (e.g. consultants or auditors)	(1) for all of our infrastructure investments
(G) We share best practices across assets (e.g. educational sessions, implementation of environmental and social management systems)	(1) for all of our infrastructure investments
(H) We include incentives to improve ESG performance in management remuneration schemes	(3) for a minority of our infrastructure investments
(I) Other, please specify: N/A	(1) for all of our infrastructure investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 14.1	PLUS	INF 14	N/A	PUBLIC	Monitoring	1, 2

**Describe up to two initiatives taken as part of your ESG competence-building efforts during the reporting year.**

#### **ESG competence-building initiatives**

(A) Initiative 1	GHG inventory training webinars for MIRA teams and fund portfolio company representatives in EMEA, Americas and Asia-Pacific.
(B) Initiative 2	As part of the Australian decarbonisation project, MIRA facilitated a workshop during which MIRA portfolio company representatives were provided with information and tools to assist with measuring, abating and disclosing their greenhouse gas emissions.

## **Exit**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 15	CORE	N/A	N/A	PUBLIC	Exit	4, 6

**During the reporting year, what responsible investment information has your organisation shared with potential buyers of infrastructure investments?**

(A) We shared our firm's high-level commitment to responsible investment (e.g. that we are a PRI signatory)	(1) for all of our infrastructure investments
(B) We shared a description of what industry and asset class standards our firm aligns with (e.g. TCFD or GRESB)	(1) for all of our infrastructure investments
(C) We shared our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)	(1) for all of our infrastructure investments
(D) We shared our firm's ESG risk assessment methodology (topics covered, in-house and/or with external support)	(2) for the majority of our infrastructure investments
(E) We shared the outcome of our latest ESG risk assessment on the asset or portfolio company	(2) for the majority of our infrastructure investments

(F) We shared key ESG performance data on the asset or portfolio company being sold (2) for the majority of our infrastructure investments

(G) Other, please specify:

N/A

(1) for all of our infrastructure investments

# Reporting/Disclosure

## ESG portfolio information

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
INF 16	CORE	N/A	N/A	PUBLIC	ESG portfolio information	6

During the reporting year, how did you report on core ESG data and targets to your investors or beneficiaries?

- (A) We reported in aggregate through a publicly disclosed sustainability report
- (B) We reported in aggregate through formal reporting to investors or beneficiaries
- (C) We reported on the asset level through formal reporting to investors or beneficiaries
- (D) We reported through a limited partners advisory committee (or equivalent)
- (E) We reported back at digital or physical events or meetings with investors or beneficiaries
- (F) We did adhoc or informal reporting on serious ESG incidents
- (G) Other, please specify:
- (H) We did not report on core ESG data and targets to our investors or beneficiaries during the reporting year