

Article 10 Information Statement

Summary

Maple-Brown Abbott – Global Infrastructure Fund (the “Sub-Fund”) has been categorised as meeting the provisions set out in Article 8 of the SFDR in relation to products that promote environmental and social characteristics. As such, the following section outlines a summary of the:

- environmental or social characteristics promoted by the Sub-Fund and the planned proportion of investments aligned with these characteristics;
- investment strategy followed by the Sub-Fund;
- methodologies used to assess, measure and monitor the relevant environmental or social characteristics specific to the Sub-Fund;
- use of data sources and any limitations to data points; and
- engagement policies in place for the Sub-Fund.

Does the Sub-Fund include a sustainability-related investment objective?

The Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investments.

Which environmental and social characteristics does the Sub-Fund promote?

The Sub-Fund promotes environmental and social characteristics in the manner contemplated by Article 8 of the SFDR. The environmental and social characteristics promoted include:

Environmental

- The promotion of investments in technologies and solutions that facilitate and support the energy transition in line with net zero emissions by or before 2050.
- Publicly available coal-fired power retirement timelines with the majority of plants (by capacity) closed by 2035 for companies operating in developed markets.
- Decarbonisation of business operations through short- and long-term emissions targets aligned with the goals of the Paris Agreement and backed by a detailed strategy to achieve those targets.
- The publication of available climate risk reporting – both transition and physical – that is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFDs).
- The attainment of net zero emissions by 2050 with an interim emissions target of a 50% reduction in emissions intensity by 2030 (relative to 2020 levels) for the Sub-Fund.

Social

- The active management of customer bills and the provision of affordability measures for low-income and/or socially disadvantaged households by investee companies.
- Comprehensive community consultation processes for greenfield projects overseen by investee companies.
- Indigenous reconciliation and engagement activities undertaken by investee companies where their projects or business activities impact Indigenous Peoples.
- At least 30% women on Boards and in senior management of investee companies.
- Investee company reporting on gender pay equity for a cross-section of roles along with a plan to address any gaps.

The environmental and social characteristics promoted by the Sub-Fund are in addition to good governance practices.

What investment strategy does the Sub-Fund follow?

The Sub-Fund invests in listed infrastructure securities that own and/or operate physical infrastructure assets around the world. The infrastructure assets targeted are the physical structures and networks that provide essential services to their relevant communities. Maple-Brown Abbott Limited (the “Investment Manager”) considers a narrower range of “core” infrastructure assets compared to many other fund managers and infrastructure indices. Attributes that the Investment Manager believes are important in determining whether the infrastructure assets should be defined as “core” infrastructure include a strong strategic position within the economy that they operate, inflation protection, low volatility and a high level of corporate governance. The Investment Manager typically closely monitors more than 100 infrastructure securities by considering these attributes.

The Investment Manager integrates ESG factors into the investment process. The stock ranking process includes a 20% weighting to the quality and strength of management and corporate governance, while environmental and social risks and opportunities are incorporated into the 50% weighting to company valuation and the 15% weighting to cash flow volatility. The remaining 15% relates to inflation protection characteristics. ESG factors, including an assessment of the sustainability indicators as they relate to each investment (or potential investment), are assessed in all company research reports during the stock initiation process and factored into sell decisions. The Investment Manager also engages with certain companies on specific environmental, social and/or governance matters to help minimise ESG risks and promote environmental and social characteristics. Further detail can be found in the Sub-Fund offer documents.

With regards to portfolio construction, the Sub-Fund pursues a bottom-up approach based on analysis and estimates prepared by the Investment Manager. The Investment Manager believes that rigorous analysis of the attributes and valuation as described above is necessary to find the best listed infrastructure investment opportunities. The Investment Manager considers investments on a long-term basis (approximately at least a four-year time horizon). Whilst not being a “top-down” manager, the Investment Manager is explicitly macro-aware throughout the investment process, focusing on the macro factors that it believes to have the greatest impact on infrastructure asset valuations. The Investment Manager reviews the Sub-Fund for any unintended macro-economic risks such as country or currency exposures and may alter the portfolio, if appropriate, to address these risks.

Good governance practices

The Investment Manager assesses the good governance practices of companies as part of its overall approach to ESG integration and looks to ensure that investee companies follow good governance practices, through methods including the review of company research reports, participation in company meetings and dedicated ESG engagements. As previously outlined, the Investment Manager’s stock ranking process includes a 20% weighting to the quality and strength of management and the corporate governance of investee companies.

For instance, depending on materiality, the Investment Manager considers:

- The quality, composition and diversity of board and management and strength of executive remuneration and shareholder rights;
- Anti-bribery and corruption and cyber security measures, accounting and auditing practices, political spending and lobbying disclosure, aggressive tax planning; and/or
- Quality of governance -related disclosure.

Further detail on the overarching governing principles of good governance practices can be found in the Investment Manager’s Proxy Voting Policy.

What is the planned proportion of investments aligned with environmental and social characteristics promoted by the Sub-Fund?

The minimum proportion of investments aligned with environmental and social characteristics promoted by the Sub-Fund in category is 80%. This number is derived from the Sub-Fund's emissions reduction targets, which apply to all investee companies, and dedicated engagement efforts to help achieve the stated environmental and social objectives. Actual levels range between 80-100% depending on cash held in the Sub-Fund for liquidity and portfolio management purposes.

The remainder of the investments relate to cash and therefore do not incorporate any environmental or social characteristics.

How does the Investment Manager assess, measure and monitor these characteristics?

The Investment Manager assesses, measures and monitors environmental and social characteristics in the following ways:

ESG integration

The Investment Manager's stock ranking process includes a 20% weighting to the quality and strength of management and corporate governance, while environmental and social risks and opportunities are incorporated into the 50% weighting to company valuation and the 15% weighting to cashflow volatility. ESG factors are assessed in all company research reports during the stock initiation process and factored into any sell decisions. 100% of the Sub-Fund's investee companies are subject to an ESG assessment and consideration of associated risks and opportunities.

ESG-focused engagement with investee companies

The Investment Manager undertakes dedicated engagements with investee companies to gain a deeper knowledge of how boards and management teams are responding to environmental and social risks and opportunities. Information gained from these meetings informs the Investment Manager's research and valuation of a company. The Investment Manager seeks to hold dedicated ESG engagements with at least 40% of investee companies (by position weight) every year. Details on these engagements and relevant outcomes are reported annually.

Exclusions

To help mitigate significant environmental and social harm, the Sub-Fund will not invest in companies:

- investing capital expenditure in greenfield coal fired-power generation plants; and
- those that manufacture controversial weapons, military equipment, tobacco, pornography, alcohol, or gambling products.

Active monitoring of GHG emissions

As a signatory to the Net Zero Asset Managers initiative (NZAMi), the Investment Manager has made a commitment to reduce the GHG emissions of the Sub-Fund to net zero by 2050. Reducing the emissions of the Sub-Fund over time will help mitigate the negative environmental impacts of investee companies whilst assisting with the transition to a low carbon future.

Preference for low carbon and transitioning companies

To facilitate the Investment Manager's commitment to the NZAMi, companies with low carbon business models and/or transitioning and decarbonising business strategies are actively preferred in the stock selection process to minimise climate risk, access low carbon opportunities, and/or help mitigate negative environmental impacts.

Proxy voting

The Investment Manager uses shareholder rights to influence sustainable outcomes amongst investee companies. As detailed in the Investment Manager's voting policy, votes are cast on all proxy resolutions at shareholder meetings for shares that are directly held on behalf of clients. Reporting on examples of proxy voting decisions and outcomes is published annually.

What methodologies does the Investment Manager use to measure how the environmental or social characteristics for financial products that it promotes are met?

Methodologies used by the Investment Manager to measure the promotion of environmental and social characteristics include:

Emissions reduction progress of the Sub-Fund

The Investment Manager uses a weighted average carbon intensity calculation in line with the recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD). This methodology is used to assess the emissions profile of the Sub-Fund and measure progress against the Investment Manager's commitments as signatory to the NZAMi.

The quality of companies' emissions targets

The Investment Manager uses the Paris Aligned Investment Initiative's Net Zero Investment Framework (Framework) to assess the quality of companies' emissions reduction targets. The Framework is endorsed by the NZAMi as a methodology to assist with the measurement and management of emissions.

Climate change risks and opportunities

The Investment Manager uses energy transition models developed by the IEA to assess climate risks and opportunities. These models are publicly available, updated annually and widely used. The Investment Manager uses these insights to assist with company modelling, research and engagement.

What data sources are used to assist with the monitoring and promotion of environmental and social characteristics by the Investment Manager? How are these used?

The Investment Manager uses a combination of data sources to assist with the monitoring and promotion of environmental and social characteristics. These include:

- Proprietary data derived from investee company desktop research;
- Proprietary data sourced directly from investee companies through questionnaires;
- Third-party data providers, rating and assessment bodies (such as the CDP) and collaborative initiatives (such as the CA100+); and
- Broker research and data on environmental and social factors.

The Investment Manager seeks to reconcile third party data points with companies' public reporting one way of providing a quality check. The Investment Manager will also sense check environmental and social data to assess the extent to which it reflects the Investment Manager's deep knowledge of a company's business operations, model and strategy.

The combination of these data points is used to develop monitoring systems and dashboards that are utilised by the Investment Management team. They assist with guiding and informing:

- ESG integration in the investee company assessments and scoring in the investment process;
- ESG-focused engagements with investee companies;
- Active monitoring of GHG emissions;
- Research on low carbon and transitioning companies; and
- Proxy voting decisions.

Are there any limitations to these methodologies and data points?

The Investment Manager makes best endeavours to ensure that data points and methodologies are as accurate as possible and based on the most up-to-date information. However, some proprietary and third-party data may be based on estimates where investee company disclosure is lacking, incomplete or not available. To overcome this challenge, the Investment Manager may contact the investee company directly to source the information or engage with the company to improve their disclosure practices. Non-financial data and disclosure can be inconsistent and hard to

compare, however this will likely change over time as global sustainability reporting standards are developed and non-financial disclosure requirements become more regulated.

It is currently difficult to report sufficiently accurate numbers on the proportion of data used for the Sub-Fund by the Portfolio Manager which is estimated.

What due diligence is undertaken on the monitoring and promotion of environmental and social characteristics?

The Sub-Fund investment team is responsible for the monitoring and promotion of environmental and social characteristics. The Investment Manager is responsible for factoring in environmental and social considerations into buy and sell decisions and when setting target weights for the Sub-Fund. The analysts, with the input and guidance of a dedicated ESG Analyst, are responsible for identifying and assessing environmental and social factors relevant to their industry and stock coverage. A discussion of these factors is included in every research report and discussed at subsequent research meetings. The ESG Analyst is involved in various stages of the investment process to help promote environmental and social characteristics. These stages include company research, discussions on stock buy and sell decisions, company meetings and engagements and proxy voting decisions. Various investment committees provide an additional layer of due diligence to these due diligence activities.

What are the engagement policies in place for the Sub-Fund?

The Maple-Brown Abbott Engagement Policy outlines the Investment Manager's commitment and approach to company engagement and summarises the ESG factors that are considered in engagement activities. This policy is further supplemented by the Global Listed Infrastructure team's engagement framework and annual engagement reporting.

The MBA Engagement Policy should be read in association with the MBA Responsible Investment, Proxy Voting and Climate Change Policies. These documents can be found at <https://www.maple-brownabbott.com/responsible-investment>.

Does the Sub-Fund utilities a designated reference benchmark to attain the environmental or social characteristics promoted by the Fund?

No ESG reference benchmark has been designated for this Sub-Fund

More information

More information regarding the Sub-Fund and the Investment Manager's approach to sustainability can be found at <https://www.maple-brownabbott.com/our-approach-to-esg-gli> and <https://www.maple-brownabbott.com/responsible-investment>.