MAPLE-BROWN ABBOTT
INVESTMENT MANAGERS SINCE 1984

Maple-Brown Abbott responsible investment and stewardship report

12 months to 30 June 2023

Welcome

As long-term responsible investors, Maple-Brown Abbott has been considering environmental, social and governance (ESG) factors in our investment decision-making for many years. We understand the influence that investment choices wield on the trajectory of both financial markets and the real economy and, as a boutique fund manager, we integrate ESG across our full suite of investment strategies.

This year marks Maple-Brown Abbott's 15-year anniversary as signatories to the Principles for Responsible Investment (PRI). Since that time, we have evolved our business across investment styles, asset classes, geographies and client types. We are privately owned with around 60 staff in Sydney with around A$10 billion in assets under management as of 30 June 2023.

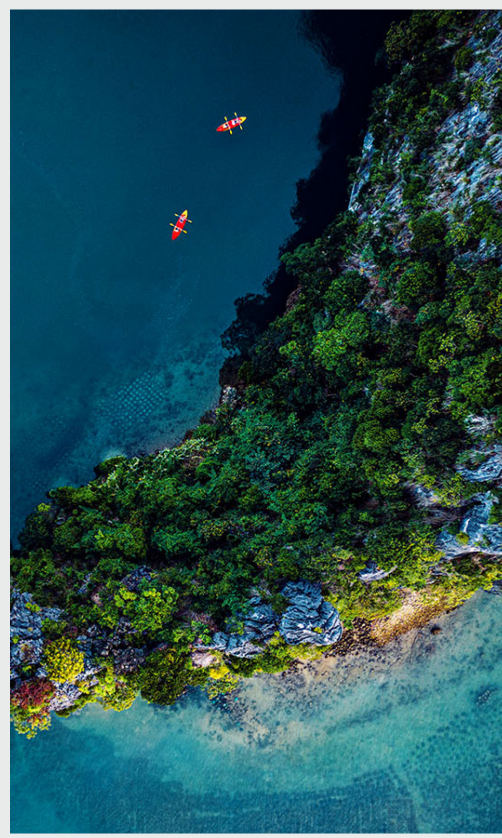
As stewards of our clients' capital, we know that company performance is about more than short-term returns, and we integrate ESG considerations across our suite of investment strategies to account for non-financial risks and opportunities in our risk-return assessments. We believe that by directing investment flows toward companies that better manage their environmental and social performance we are creating more sustainable long-term financial outcomes for shareholders and ultimately support better outcomes for the world we live in.

Beyond our investment activity we also maintain high internal standards across our own social and environmental performance. We are committed to fostering a diverse and inclusive culture, and running our business with the same high governance standards we expect of the companies we invest in. This year, for the first time, we are expanding our annual firm-wide Stewardship Report to present a combined account of our progress across both our responsible investment and sustainable business activities.

In this report we provide an overview of our stewardship activities across the year, including engagement and proxy voting, and showcase a selection of case studies that illustrate our process in action. We also provide an update on the progress of our broader ESG capability as well as our industry participation. Finally, we report on our responsible business activity including our approach to diversity and inclusion and carbon neutrality.

Key achievements FY23

- Launched the sustainably-themed Maple-Brown Abbott Australian Sustainable Future Fund
- Named as a Responsible Investment Leader by the Responsible Investment Association Australasia (RIAA), for the fifth consecutive year
- Awarded the highest possible rating of 5 stars in our PRI assessment for ESG incorporation, with all modules scoring above the global median
- Added to our ESG capability with the appointment of a new ESG Investment Analyst, providing dedicated ESG analysis to the Asian Equity and Australian Small Companies strategies
- Embedded an ESG integration process for the new Maple-Brown Abbott Small Companies Fund
- Reviewed and refreshed our proprietary ESG framework for the Asia and Emerging Markets strategies
- Joined FAIRR, a collaborative investor network that raises awareness of the ESG risks and opportunities in the global food sector
- Became a collaborating member in the Climate Action 100+ engagement group for American Electric Power, a holding in the Global Listed Infrastructure strategy
- Undertook a review and refresh of our full suite of ESG policies, which included formalising our approach to investment exclusions, providing stakeholders with clarity on the activities that we will not invest in
- Updated our climate change scenario analysis for the Global Listed Infrastructure (GLI) strategy and published updated GLI and firm-level Climate Change Reports



Our responsible investment approach

The framework underpinning our approach has four pillars:

Responsible investment

ESG integration
We integrate ESG factors and risks into our investment approach at each step of the process.

Stewardship
Our comprehensive stewardship approach covers company engagement and proxy voting.

Investment solutions
Product solutions that tilt toward specific environmental or social outcomes or exclude selected activities.

Governance
Our approach to disciplined investment governance and ethical conduct is guided and supported by Board–approved policies.

As an active investment manager, Maple-Brown Abbott Limited recognises that responsible investment enhances investment decision-making and ultimately leads to superior long-term value for all stakeholders.

All our investment strategies integrate ESG considerations, with a0160clear purpose of reaching more informed decisions. This approach helps ensure that non-financial risks and opportunities are factored into the risk-return assessment of investments. We believe companies that best manage their ESG risks and opportunities will benefit multiple stakeholders while generating sustainable, long-term returns to shareholders.

We do not take a 'one size fits all' approach to ESG, with a key differentiator being our proprietary approach supported by specialist capability. Maple-Brown Abbott maintains in-house expertise for ESG research, with dedicated ESG analysts as members of the investment teams. We have developed proprietary ESG frameworks that are applied in strategy-relevant ways to supplement fundamental investment analysis.

More information, including the suite of ESG policies that govern our approach, is available on our website.

- Responsible Investment Policy
- Engagement Policy
- Proxy Voting Policy
- Climate Change Policy

Article 8 funds

The EU's Sustainable Finance Disclosure Regulation came into effect in 2022 and requires investment products sold within the EU to be classified as Article 6, 8 or 9. The categorisation is dependent upon the degree to which an investment strategy integrates sustainability considerations. Maple-Brown Abbott's two UCITS funds have both been categorised as Article 8 based on their respective promotion of environmental and social outcomes and good governance principles. The two UCITS funds are the Maple-Brown Abbott Asian Equity Income Fund and the Maple-Brown Abbott Global Infrastructure Fund.

Fund spotlight: Maple-Brown Abbott Australian Sustainable Future Fund

During the year we relaunched our existing responsible investment fund as the Maple-Brown Abbott Australian Sustainable Future Fund (the Fund).

The Fund has been designed to play an active role in supporting positive outcomes for people and the planet. The challenges facing our society – climate change, resource management, financial inequality and disparity in living standards, to name a few – require purposeful capital investment to enable solutions.

We believe we can have a positive impact by helping companies that make a positive contribution to one or more of our sustainable investment themes have access to the capital they need, not support companies that hinder social progress, and engage with companies to influence their behaviour.

Investments are assessed through negative and positive screening alongside fundamental valuation and analysis including integration of ESG risks and opportunities.

The positive screen seeks to identify companies that are aligned to one of our eight sustainable investment themes. These themes are informed by the United Nations Sustainable Development Goals (SDGs) and tailored to be relevant to the Australian equity market, cognisant of both the specific challenges facing Australia and the areas where our economy is best placed to make a positive contribution. The negative screen is used to exclude companies that detract from a sustainable future, with investments prohibited in a number of business activities that don't meet our minimum standards.

The Fund is certified by RIAA and adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program.

CERTIFIED BY RIAA

RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that the Fund adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the RIAA. Detailed information about RIAA, the Symbol and the Fund's methodology, performance and stock holdings can be found at www.responsiblereturns.com.au, together with details about other responsible investment products certified by RIAA.

1 The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Stewardship

Engagement

A key pillar of our responsible investment approach is our comprehensive stewardship program, including engagement and proxy voting. We believe engagement is crucial to our role as stewards of client capital. When combined with our approach to active investment and ESG integration, this leads to better investment decisions and real economy outcomes.

Our engagement activity takes the form of company meetings, written correspondence, collaborative engagements and proxy voting and is informed by bottom-up company research and top-down macro themes. From time to time we will also engage with policy makers, either directly or through industry memberships, on matters that are of relevance to our clients' investments. This year, the Maple-Brown Abbott Global Listed Infrastructure team made a submission to the Australian Treasury consultation on the Your Future, Your Super legislation, providing feedback on relevant benchmarks.

In our company engagements through FY2023, there was a broad range of issues discussed spanning environmental, social and governance topics across all investment strategies. This year saw an enhanced focus on **climate risk management**, particularly **decarbonisation** plans, given the systemic threat posed by climate change and global shifts in energy policy. While climate risk has been a constant theme in our engagements across all strategies for many years, the last year marked a step change in many regions as companies, governments, investors, and broader society absorb the effects of climate change on the global economy. Among the reasons for the heightened focus are concerns around the physical impacts of climate change, witnessed this year through record-breaking temperatures across the globe combined with the continued pattern of more extreme and frequent weather events, and the transition risks associated with the transition to a low-carbon economy. When engaging with companies we have sought specific objectives such as clear capital allocation aligned to decarbonisation targets, reduced use of offsets to achieve stated commitments, the linking of executive remuneration to decarbonisation outcomes, the setting of science-based targets and transparent conduct in regards to political expenditure and lobbying.

Modern Slavery remained another theme of the engagement program this year. As global supply chains continue to expand, and inflation exacerbates cost of living pressures, the potential for exposure to companies engaged in exploitative labour practices rises. Our engagement with companies on modern slavery seeks t improve companies' supply chain transparency, labour standards compliance, and adherence to regulatory frameworks.

We identify sectors and regions where vulnerabilities are most pronounced and are informed by our participation in industry initiatives including Investors Against Slavery and Trafficking Asia Pacific (IAST APAC). By incorporating modern slavery risk assessment into our investment stewardship framework we aim to both preserve financial value and uphold human rights.

With exposure to the technology, financial and communications sectors across multiple strategies, we are interested in the way companies are managing **data privacy and cybersecurity**, seeing this as both a proxy for sound governance as well as a material risk through exposure to regulatory, reputational and financial risk. With several highly publicised cyber-attacks occurring during the year amid increasing reliance on digital technologies, the threat landscape for businesses continues to evolve at a fast pace. We have used our engagements with exposed companies to discuss their cybersecurity policies, incident response plans, and overall preparedness. We pay particular attention to governance structures and board oversight in managing cyber risks, alongside currency of response plans.

Underpinning all our ESG engagements is **corporate governance**. We identify well-governed companies by assessing the internal systems of practices, controls and procedures each company adopts to govern itself, knowing these companies tend to have lower risk and superior financial performance. Companies with strong governance systems also have reduced regulatory and legal interventions.

Another common theme through our engagements is **remuneration**. Our engagements in this space seek to improve shareholder alignment and transparency of executive incentive targets and outcomes. We have used our meetings with portfolio companies as an opportunity to emphasise the importance of greater transparency and disclosure in remuneration practices given its ability to influence shareholder outcomes. We believe company remuneration practices should reflect shareholder best interests and be objectively aligned to the creation of shareholder value. Transparent measures of management performance are important to allow investors to independently measure performance and to provide insight to key areas of management focus.

Beyond the themes discussed above, our engagements with portfolio companies this year covered topics including water use, resource efficiency, packaging and waste, health and safety, gender representation, responsible gaming, cybersecurity, social license, affordability, animal welfare, regulatory change, board composition, conduct and culture and regulatory change. The following case studies showcase our engagement with companies across multiple sectors and geographies over the twelve months to June 2023.

Case studies

Australian banks | Climate risk

Australian Value Equities

We met with each of the four major banks, either directly or in small group meetings, for an ESG discussion in the first half of 2023. A key theme in each meeting was the banks' individual approaches to financed emissions, particularly in light of their collective commitment to the Net Zero Banking Alliance and 2030 financed emissions targets for key sectors covering on-balance sheet lending and investment activities. How the banks address climate change should have a potential impact on revenue from new markets. Over the last six years fossil fuel exposure is down, on aggregate, by 55%. We note that, overall, Commonwealth Bank (CBA) and Westpac (WBC) are shifting portfolios away from fossil fuels at a faster rate than ANZ Bank (ANZ) and National Australia Bank (NAB), with the Net Zero Banking Alliance beginning to have traction in terms of customer and project selection. Banks will need to replace lost revenue as a result of policies applied to customers in carbon-intensive industries, and in this regard financing allocation to renewables projects will be notable. NAB and WBC have the highest current exposure in this regard.

As each of the banks progressively release their full suite of sector decarbonisation pathways we will continue to monitor progress given the central role the banks will play in financing the energy transition.

Luk Fook | Human rights, resource management

Asian Equities

Luk Fook is one of the leading jewellery retailers in mainland China and Hong Kong and we met with company CFO Kathy Chan late December 2022 to get a better understanding of how the company is managing key areas of ESG risk. Luk Fook has established a baseline approach to ESG governance, with board oversight including clear lines of accountability and quarterly board reporting, and our meeting with the company was an opportunity to press for detail and disclosure on areas of ESG risk management.

On climate risk, we asked for short-term targets around energy efficiency, water usage, waste recycling and emissions reductions. The company noted it is in the process of setting targets and is working with a third-party consultant on its approach and measures, although it was unclear from the discussion which areas will be in focus for those targets. The company reported a 19% year-on-year reduction in greenhouse gas emissions in FY2022, driven by COVID-related disruptions and a change in revenue mix. The company reassured us it has environmental KPIs for all departments, which are required to do something positive for the environment – for example, reducing travel or water usage.

Luk Fook faces considerable risk around forced labour in the supply chain of precious metals and gemstones. The company needs to renew supplier contracts frequently, and has assured us that it will work with consultants to set up supplier terms related to ESG. Luk Fook purchases its raw materials both directly and through third parties. Outside of diamonds, which are purchased through the Kimberly Process, and gold, purchased through the gold exchange, Luk Fook stated that other gemstones are a minor part of the business and it has not checked0áthe verification details to the same standard. The company has not completed official supplier audits but has undertaken random checks, and to date it has not had any suppliers fail the environmental protection agreement.

Overall, we are pleased to see the company giving consideration to ESG issues, however, we would like to see verification standards along the lines the company observes for diamonds carried through to the other gemstones to mitigate supply chain risks. We look forward to seeing the publication of Luk Fook's short-term environmental targets, along with its plans to reach these targets.

Wal-Mart de México | Waste, Modern Slavery

Global Emerging Markets

Wal-Mart de México (Walmex) owns and operates supermarkets and discount stores in Mexico and Central America. As a consumer retailer it is exposed to ESG risks including waste and modern slavery, and we met with the company to press for greater transparency in these areas.

Walmex has a stated goal of zero waste by 2025 and the meeting provided an opportunity to get more detail from the company on initiatives it has in place to achieve this goal. These include selling food on promotion when the products are reaching expiry, and also fresh produce that is still able to be consumed but may not look enticing to consumers (for example, overripe bananas). Walmex also has associations with food banks that are close to the stores, and food that is not fit for human consumption is donated to become animal feed. As a last step, any food waste that has not been avoided by other means is composted. We also note another key focus for Walmex is reducing product packaging, especially of its own branded products, with a focus on removing plastic where possible or increasing use of recycled plastic. The company has a nationwide ban on plastic bags in its stores and is opening more distribution centers so that produce is closer to stores. Walmex works with suppliers to encourage more sustainable products through store product promotions - for example, shampoo in bar form which takes up less space in transport and has less packaging. Walmex has also introduced stores where customers can buy products in bulk and bring their own containers in store to fill up. This is a compelling value proposition for customers as it is cheaper and uses less packaging. Overall, we were assured that Walmex is making advances in reducing waste across its supply chains.

For a business such as Walmex with long supply chains, management of modern slavery is key and we were keen to get more detail on the company's approach. The company has several supplier requirements in its supply contracts and provides training to suppliers on best practice. We were pleased to note that the company seeks to educate and remediate suppliers rather than terminate non-compliant suppliers as a first step. The company does use third parties to contract labor such as cleaners, but we note that these staff work in Walmex stores and offices with oversight on working conditions and pay. With more than 200,000 employees, human capital management is critical. The company is working on centralising employee training, and we were pleased to hear that employees are paid above the minimum wage and receive a number of benefits including health care and psychological services, many of which employees would not be able to access on their own. With a past history of labour scandals, including when workers were paid in company coupons in 2008, we are satisfied that the company is giving due consideration to this area and note the increased standards and governance oversight that is being applied to working conditions.

Australian emerging companies | Human capital management

Australian Small Companies

Amid the challenges posed by the COVID-19 pandemic and its aftermath, companies have faced a tight labour market, making employee engagement and retention crucial. A number of our discussions with companies this year included a focus on human capital management in general, and employee engagement and retention in particular. For Monash IVF (MVF) recruiting highly skilled medical practitioners is critical due to the company's reliance on these medical practitioners' ability to enable a high number of successful IVF cycles – a key measure which patients take into account when deciding upon a provider. The company relies on word of mouth among the medical community in order to hire high performing professionals, and concentrates heavily on improving the value proposition for its doctors. Including these specialists in decision making and building a culture of trust between management and doctors is a key differentiator for the company.

For NextEd, (NXD) an education provider, through our research we identified high performing staff as a key factor in enabling student outcomes and engagement. When meeting with the company, we sought to gain more insight as to how the company recruits and retains its educational staff. Pleasingly, we learnt the company relies on its strong brand reputation in the market and its ability to provide professional development opportunities as key drivers of employee retention and recruitment. This emphasises the importance of investing in high quality companies and the resulting benefits in hiring talented individuals.

Vopak | Corporate governance

Global Listed Infrastructure

Vopak is an energy infrastructure company that stores bulk liquid products and gases in more than 20 countries. At Vopak's 2022 annual general meeting, we voted against the remuneration report due to concerns around insufficient detail on the measurement of certain key performance indicators and a lack of ESG components in variable executive remuneration beyond safety. Evidently, other shareholders shared similar concerns given the resolution only received 72% support - which translates to a mere 46% of the company's free float. In keeping with our proxy voting policy, we informed Vopak of the rationale for voting against the report and outlined our expectation to see stronger alignment of remuneration with ESG and sustainability commitments going forward.

Following further interactions throughout 2022, in early 2023 we met with Vopak's non-executive director who chairs the Remuneration Committee, where we discussed the proposed changes to their remuneration framework and rationale. We have a long-standing history of engaging with Vopak and in the background were involved in appointment of this director to the Board after pushing the company to add an additional independent director to Board committees to bolster resourcing and independence. At the time, we also recommended they consider improving Board diversity when making these appointments. As such, it was particularly pleasing to be working with a highly qualified, independent and diverse Board appointee on the important topic of improvements in remuneration practices.

Overall, the proposed changes to the remuneration policy addressed our concerns, specifically by enhancing the explanations on the assessment of performance and related payouts for each key performance indicator, and replacing unclear qualitative non-financial indicators with specific, measurable targets such as greenhouse gas emissions reduction and diversity. We applaud Vopak's receptiveness to shareholder feedback on its remuneration practices and proceeded to support the company's updated remuneration policy at the 2023 AGM. We believe this case study demonstrates the efficacy of active engagement to drive better ESG and sustainability outcomes.

Proxy voting

Proxy voting is a core component of our Stewardship activity and is a critical lever in our ability to drive positive outcomes. Our approach is designed to optimise our ability to affect outcomes in the companies we invest in, driving positive outcomes for both the company and our investors. The extent to which we can influence companies through our voting activity is directly aligned to the number of shares we hold over which we have voting rights.

When casting votes, our priority is to consider the best interests of our clients as shareholders. Our guiding principles set the governance standards we expect from the companies we invest in, and our investment teams actively consider each vote on a case-by-case basis. Voting recommendations are made after consideration of all relevant information, and are informed by specialist research, as well as our own research and engagement with the company, with the ultimate decision made by the investment analyst. Our approach is outlined in our Proxy Voting Policy, which was last reviewed in November 2022 and has been designed to optimise our ability to affect outcomes in the companies we invest in.

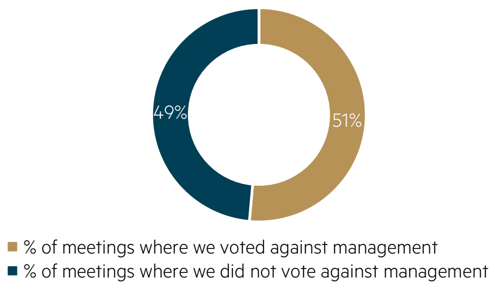
Maple-Brown Abbott exercised voting rights over the year by voting on all feasible proxy resolutions at shareholder meetings for shares where we hold voting rights on behalf of our clients. A summary of the voting activity undertaken by each investment team follows.

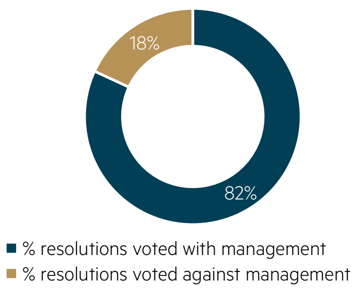
Asian Equities

In the Asian Equity strategy, votes against management during the year were largely centred on capital structuring (42% of our against votes) and director elections (31% of our against votes). On the first issue of capital structuring, we are generally opposed to the issuance of new equity capital under normal business operations and do not support proposals to this effect. This was the case during the year with resolutions proposed at a number of our portfolio companies including Brilliance China Automotive, Wynn Macau, Kunlun Energy, Xiaomi, ZTO Express Cayman, Luk Fook Holdings and Tencent Holdings, among others.

In line with our voting principles, we voted against male directors where a company had less than 30% female participation on the board, with exceptions for industries where we assess this to be not achievable. During the last 12 months we exercised our votes in a manner that we hope will send a clear message to boards where we expect greater progress in this area, including for First Pacific, WH Group, Xiaomi, Tencent Holdings and ZTO Express Cayman.

Maple-Brown Abbott Asian Investment Trust





Australian Small Companies

The two areas where we voted against management during the year were director elections and remuneration. In line with our voting principles, we voted against male directors where a company had less than 30% female participation on the board, with exceptions for industries where we assess this to be not achievable, and applied a higher threshold in industries with greater female participation. This was the case with Domain Holdings Australia (DHG), where we exercised our principle of minimum 40% female representation. We were disappointed that the percentage of women on DHG's board had not increased over a five-year period, and subsequently voted against the two male directors proposed for re-election.

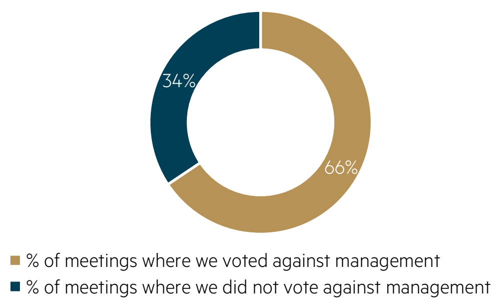
Elsewhere, we voted against remuneration reports where executive incentives were poorly disclosed or where we felt incentives were not aligned with shareholders' best interest. Where we voted against remuneration reports we have, generally, subsequently engaged with companies to discuss their approach and to encourage increased transparency.

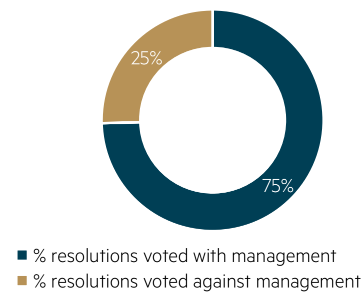
Examples of where we voted against the adoption of the remuneration report include Boss Energy (BOE), where the company's poor short-term incentive disclosure and policy of allowing equity-based remuneration to non-executive directors is not aligned to best practice and could impair board independence.

In the case of Corporate Travel Management (CTD) we voted against the remuneration report due to the lack of disclosure of specific STI targets. We also voted against the reappointment of a director to the board of directors as he was the chair of the Westpac Group's risk and compliance committee during a period where the bank was subject to regulatory action and was a focus of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.

On a positive note, we voted in favour of adopting Elders Limited's (ELD) remuneration report, as we were supportive of the company's clear incentives that were aligned with shareholder outcomes, including a gateway provision to STI with an increase in EBIT from the previous year, zero fatalities, adherence to company code of conduct and no significant environmental event. We view this as best practice and hope to encourage more companies in the small cap space to adopt such policies.

Maple-Brown Abbott Australian Small Companies Fund





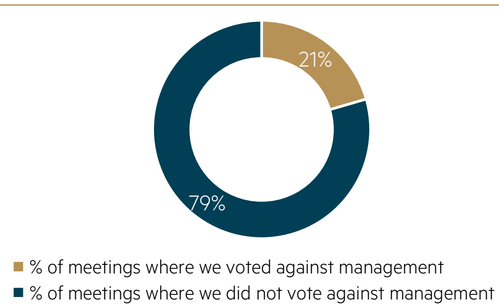
Australian Value Equities

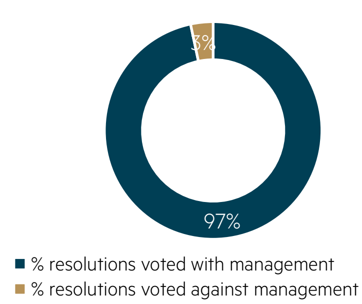
The majority of the 'against' votes during the year in the Australian Value Equities strategy related to remuneration matters. With greater scrutiny being placed on executive remuneration in recent years, especially in the aftermath of the COVID-19 pandemic, we find Australian boards on the whole to be managing the balance between executive pay outcomes and stakeholder expectations well. Nonetheless, against the backdrop of low unemployment rates and inflationary pressures and the increased efforts to attract and retain executive talent, there were a number of instances this year where we voted against remuneration reports.

One example of this during FY23 can be seen in the case of Star Entertainment Group (SGR). In this instance we acknowledge the issue of payments to former executives is backwards looking and, from a legal perspective, is justifiable. From a shareholder perspective, however, the reputational damage and social license impacts from practices adopted by former executives has been severe and, as such, on balance we hold objection to the payments. The against vote does not so much reflect our views on forward-looking remuneration practices as it does our response to SGR's corporate and governance practices.

We also voted against the approval of termination benefits to the former CEO of Bapcor Limited (BAP). Mr Darryl Abotomey resigned in February 2022 after ten years in the role. While not explicitly leaving on bad terms, his departure was accelerated due to a "deterioration in the relationship with the Chair", with the company providing little additional explanation. Mr Abotomey's termination benefits included his statutory allowance of leave entitlements, 50 weeks' notice, and the deferred component of his FY21 STI. In addition to this he was given several other allowances on which shareholders were asked to vote. We assessed the proposed benefits to be overly generous, especially the full payment of the FY22 STI and retaining full rights under the FY21/22 LTI. Given the nature of the payment and the unclear circumstances of his departure and deteriorating relationship with the Chair, we did not believe the termination benefit to be warranted and voted against this resolution.

Maple-Brown Abbott Australian Equity Trust





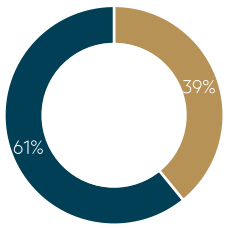
Global Emerging Markets

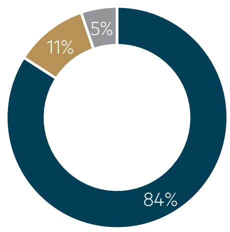
As with our other strategies, director elections attracted the majority of our 'against' votes in the Global Emerging Markets strategy this year. In line with our voting principles we vote against male directors where a company has less than 30% female participation on the board, with exceptions for industries where we assess this to be not achievable. During the last 12 months we exercised our votes in a manner that we hope will send a clear message to boards where we expect greater progress in this area, including at meetings for ZTO Express Cayman and Nari Technology Co. When casting votes on director elections we also consider the degree to which a proposed director can effectively serve the company. We note that when a director sits on too many boards their available time and capacity is reduced, leading to 'overboarding'.

This was the case with Grupo Aeroportuario del Pac where we voted against a director who already sits on six other boards as well as serving as a company CEO.

We abstained from casting votes at the Mouwasat Medical Services Co. (Mouwasat) company meeting in December 2022. It is our policy to vote at all shareholder meetings except in exceptional circumstances, including the instance where there is insufficient information on which to make informed decisions. This was the case with Mouwasat, where the company did not provide sufficient, consistent information with regards to candidates seeking election. This made the assessment of independence, and the analysis of all candidates' profiles on a like for like basis, impossible and necessistate an 'abstain' vote

Maple-Brown Abbott Global Emerging Markets Equity Fund



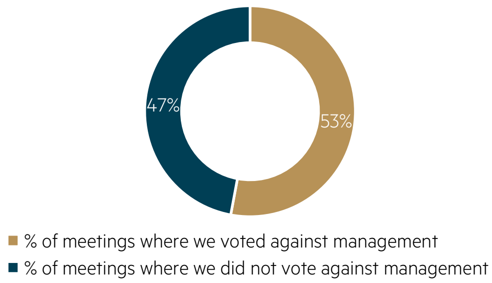


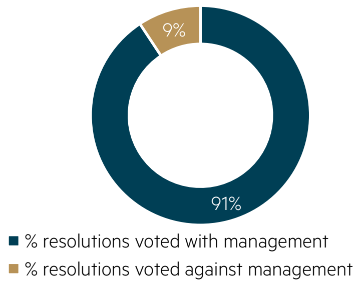
Global Listed Infrastructure

During the year, the GLI team continued to place increased emphasis on the alignment of short and long-term variable executive remuneration with sustainability commitments. This linkage is important in driving management accountability to deliver on targeted sustainability outcomes, such as emission reduction goals. As a result, the team voted against executive remuneration reports and/or policies for 11 out of 31 investee companies. One such example is Edison International, a California-based electric utility that has elevated wildfire risk exposure due to its geography. After voting against the company's remuneration report for the second year in a row based on the company's failure to allocate a minimum of 10% to environmental and social metrics in short- and long-term incentive programs, the GLI team wrote a formal letter to the Chair of the Compensation and Executive Personnel on the company's remuneration practices. We believe Edison's long-term strategic financial plan is inextricably linked to its clean energy, wildfire safety and resiliency objectives. Without true alignment in the compensation structure, it is hard for investors to have complete confidence that management will be properly incentivized to execute and deliver on these objectives. Further, many of Edison's domestic peers are increasingly incorporating non-financial, ESG-related objectives into their long-term remuneration frameworks. On the financial side, Edison's short-term incentive plan currently includes a 40% weighting to core earnings. We would like to see this changed to a core earnings 'per share' (core EPS) measure. In our view, earnings 'per share' targets are an industry standard and provide a more accurate picture of company performance as it factors in financing decisions, including share dilution.

Another of our key governance principles is the requirement for companies to have an independent board chair. During the quarter, there were three shareholder resolutions filed for Dominion Energy, NiSource and Sempra Energy that sought to require an independent Board Chair. We supported all three resolutions and have supported similar resolutions in the past. We believe the role of Chair and CEO should be separate to provide for strong governance, clearer accountabilities, and fully independent oversight. Indeed, we wrote a formal letter to Dominion Energy during 2022 which, among other matters, encouraged the company to separate the role of Chair and CEO as part of succession planning. While none of these shareholder resolutions passed, they received meaningful levels of support ranging from 32–40% of votes cast. We see this as a strong signal from shareholders and hope to see these companies move towards best practice.

Maple-Brown Abbott Global Listed Infrastructure Fund





Policy update

Over FY23 we continued to evolve our responsible investment capabilities, deepening the integration of ESG factors into our investment process and strengthening the frameworks that underpin our approach. We have collaborated across the industry on issues such as climate change and human rights, and continue to be informed by best practice paradigms and research.

At the core of our approach is strong governance and high internal standards. At the end of 2022 we undertook a review and refresh of our full suite of ESG policies – being our Responsible Investment Policy, Engagement Policy, Proxy Voting Policy and Climate Change Policy. These polices are governed by the Maple-Brown Abbott Ltd Board, with operational direction provided by the firm's ESG Committee.

The resulting policy changes were made to reflect currency of practice, with updates made to cater for the breadth of investment strategies and additional ESG roles within the firm. Importantly, the Responsible Investment Policy also now formalises our approach to investment exclusions, providing stakeholders with clarity on the activities that we will not invest in. As a general principle it is our preference to not limit the investible universe, preferring to use our ownership influence to press for outcomes rather than to divest on ESG grounds alone. That said, we recognise there are instances where engagement is not possible or not likely to lead to change – such as is the case with tobacco and controversial weapons – and in these instances we are clear that we will not hold shares in contributing companies.

In this same endeavour for transparency, we also updated our Proxy Voting Policy to provide guidance on the governance principles we seek to uphold when casting votes at shareholder meetings. The guiding principle in reaching a voting decision remains as what, in our opinion, is in the best interests of our clients as shareholders. We believe there is a strong connection between good corporate governance and the creation of long-term shareholder value, and that opportunity exists to use proxy voting as a means to promote better environmental and social outcomes. To this end we have detailed eight areas of governance, covering topics such as board composition, remuneration, capital structures and disclosure, that we look to uphold when casting votes.

Industry participation

We are active collaborators with select investor groups, which are valuable channels for outcomes-focussed engagement as well as capability building. Our continued involvement in industry collaborations such as Climate Action 100+, Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC), the PRI and the Responsible Investment Association of Australasia (RIAA) have provided us with access to best practice thinking and allowed us to advocate for change where it matters most. In 2022 we also become members of FAIRR, a collaborative investor network that raises awareness of the ESG risks and opportunities in the global food sector.

Our key industry associations are noted below.

Principles for Responsible Investment (PRI)
The PRI is a UN-supported network of investors which works to promote sustainable investment through the incorporation of environmental, social and governance principles. We have been signatories to the PRI since 2008, being one of the earliest Australian fund managers to join the initiative.

Signatory of:

Responsible Investment Association Australasia (RIAA)
RIAA is the largest network of responsible investors across Australia and New Zealand, with a focus on ensuring capital is aligned with achieving a healthy society, environment and economy. Maple-Brown Abbott has been a member of RIAA since 2016 and has been assessed by RIAA as being a Responsible Investment Leader for the last five years.

Taskforce on Climate-related Financial Disclosures (TCFD)
The TCFD framework was designed to help public companies and other organisations disclose climate-related risks and opportunities. As a public supporter, we believe the TCFD recommendations provide a useful framework to increase transparency on climate-related risks and opportunities within financial markets.

Climate Action 100+ (CA100+)
Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. At 30 June 2023 Maple-Brown Abbott is a support investor on two global engagements.

A proud participant of:

Investor Group on Climate Change (IGCC)
The IGCC is a collaboration of Australian and New Zealand investors focusing on the impact that climate change has on the financial value of investments. As a member of the IGCC, we work collaboratively with other investors to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuants and investors.

Net Zero Asset Managers Initiative (NZAMI)
The Net Zero Asset Managers Initiative is an international group of asset managers committed, consistent with their fiduciary duty to their clients and beneficiaries, to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner. This is in line with global efforts to limit warming to 1.5 degrees Celsius and to support investing aligned with net zero emissions by 2050 or sooner. Our Global Listed Infrastructure strategy has set a decarbonisation strategy in line with this goal.

Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC)
The IAST APAC initiative is an investor-led, multistakeholder project. It was established in 2020 to engage with companies in the Asia-Pacific region to promote effective action in finding, fixing and preventing modern slavery in operations and supply chains. Maple-Brown Abbott is actively involved in both supporting and leading company engagements through this initiative.

Transition Pathway Initiative (TPI)
We are a signatory to the TPI, an independent, authoritative source of research and data into the progress being made by the financial and corporate world in making the transition to a low-carbon economy.

FAIRR
FAIRR is a collaborative investor network that raises awareness of the ESG risks and opportunities in the global food sector.

Through participation in these investor initiatives, we gain access to research and insights from leading practitioners while also contributing to a stronger responsible investment system.

Industry recognition

This quarter saw the release of two important reports that benchmark the responsible investment efforts of investment managers in Australia and globally. We were pleased to be assessed positively by each of these reports, recognising the continued focus that we place on this area.

The first of these was the annual Responsible Investment Benchmark Report from the Responsible Investment Association of Australasia (RIAA). The report charts the ongoing development of responsible investment markets over the year and compares these results with the broader financial market. It also scores asset managers on their approach to responsible investment, assessing them against a scorecard that covers a range of factors from commitment and transparency through to stewardship and capital allocation.

For the fifth year in a row Maple-Brown Abbott was assessed as a 'Leader' among the 140 managers reviewed by RIAA. According to the report, "Responsible Investment Leaders explicitly and systematically consider ESG factors in the allocation of capital, and are decidedly transparent, reporting publicly not just on their activities to improve environmental and social sustainability, but also the outcomes they achieve." We value this recognition given the importance we place on integrating ESG into every aspect of our investment process and were particularly pleased to have increased our overall score this year.

The second assessment report this quarter was from the Principles for Responsible Investment (PRI). As a signatory to the PRI since 2008 we have completed each annual reporting cycle and used the process to identify best practice ESG integration, along with areas for improvement. In September the PRI released the (somewhat delayed) results of its signatory assessment from 2021, reflecting the 2020 calendar year. For each of our assessed modules Maple-Brown Abbott scored well above the global median. Notably, ESG incorporation in our key asset class of listed equity was scored at 92% and awarded the highest possible rating of 5 stars.

Our own impact

Carbon neutral

Maple-Brown Abbott again offset our business emissions for FY23, to remain a carbon neutral business. This year we selected two projects based in locations aligned to our Asia and Emerging Markets investment strategies, including a Climate, Community & Biodiversity project in Brazil and a Wind Farm Project in China. Each of these projects included additional co-benefits and were certified by Verra's Verified Carbon Standard (VCS) program.

Inclusion and diversity

We believe that a talented, diverse and inclusive workforce is a key competitive advantage, and our values, policies and practices all promote diversity and equal opportunity. We remain actively focussed on being an inclusive employer that fosters and promotes diversity and took several steps during the year to maintain this environment, including a full review and update of our Inclusion and Diversity Policy which was approved by the Board in May 2023.

Our internal surveys have highlighted that we support an inclusive and diverse environment and foster high employee engagement. We do not take this outcome for granted and will continue to monitor our performance through annual surveys and other informal means.

Female investment internship program

As an Australian-based asset manager, we have identified gender diversity as a strategic priority. We are committed to addressing the gender imbalance in our industry, and in investment teams in particular.

To help address this imbalance, in 2019 we established the Maple-Brown Abbott female investment internship program. The program provides experience and potential career pathways for university graduates or near-graduates and also aids in the development of a diverse pipeline of talent that can be considered for future succession to senior roles.

The program has proven to be very successful, with program alumni continuing to be employed within our business and across the investments industry.

MBA Foundation

Through the MBA Foundation we provide opportunities for employees to get involved with a range of charities and initiatives, and to create stronger connections with those causes and with each other. The focus of the MBA Foundation is inclusion and sustainability, and we seek out charities and initiatives aligned to this theme.

Our impact over the year included charitable giving in the form of Christmas gift donations to the Smith Family and rizeup, as well as a clothing drive for Dressed For Success to mark International Women's Day and staff participating in The Cancer Council's Australia's Biggest Morning Tea.

In addition to giving, the MBA Foundation is committed to providing opportunities for employees to get involved in community-focussed events. In May, around 20 staff members and their families and friends entered the Mother's Day Classic event in Sydney. The Mother's Day Classic is a 5km or 10km walk or run, held concurrently in cities and towns around Australia on Mother's Day, and raises funds for breast cancer research. Through the MBA Foundation we were both a Supporting Organisation of the event, as well as team participants. It was great to see our team's passions for community, fitness and fundraising brought together through the event.

Maple-Brown Abbott
T +61 2 8226 6200
maple-brownabbott.com
LinkedIn

MAPLE-BROWN ABBOTT
INVESTMENT MANAGERS SINCE 1984