

First Sentier
Investors

Principles of Internal
Governance and
Asset Stewardship
2023



First Sentier Investors(FSI) disclosure under FSC standard 23: Principles of Internal Governance and Asset Stewardship

The Financial Services Council (FSC) promotes best practice in the Australian financial services industry by setting mandatory standards for its members and providing guidance notes to assist in the operational efficiency of industry participants.

In July 2017, the FSC issued Standard 23: Principles of Internal Governance and Asset Stewardship. The Standard is designed to guide and encourage Australian investment managers to disclose how they apply internal governance to asset stewardship.

As stewards of client assets, asset managers have a fiduciary responsibility to ensure they act in clients' interests and treat client assets with due care and diligence.

FSI has a long-held commitment to this stewardship principle, and we are pleased to provide the following disclosure in accordance with FSC Standard 23.

We provide additional information in our annual Responsible Investment and Stewardship Reports and on our [website](#). As a global asset manager, we benchmark ourselves against a number of global standards as they relate to asset stewardship.

These include:

- CFA Institute's Code of Ethics and Standards of Professional Conduct
- Principles for Responsible Investment
- Pensions and Lifetime Savings Association (PLSA) Stewardship Disclosure Framework
- UK Stewardship Code

This disclosure is an update to our disclosure dated September 2022.

Our disclosure

Organisational and investment approach

1. A description of the distinguishing features of the asset manager, and how these features are directed towards achieving client objectives

First Sentier Investors (FSI) is an investment management business and the home of investment teams FSSA Investment Managers, Igneo Infrastructure Partners, Realindex Investments and Stewart Investors.

We are stewards of assets under management (AUM) of AUD 223 billion (as at 30 June 2023) across listed equities, fixed income and direct infrastructure on behalf of institutional investors, pension funds, wholesale distributors and platforms, financial advisers and their clients.

All of our investment teams operate with discrete investment autonomy and investment processes, in line with their investment objectives. Each team integrates environmental, social and governance (ESG) considerations in a way that is suited to their investment philosophy and style, meaning that teams may approach the same issues in different ways. This tailored approach allows the teams to make decisions in line with their fund objectives, while still benefiting from the resources and governance structures provided by the wider business.

While each investment team has a different investment approach, all teams believe that markets are not completely efficient and that value can be added for our clients through careful investment analysis and prudent decision-making.

An explanation of how the asset manager aligns its purpose and values with its duty to clients

At FSI, our vision is to be a provider of world-leading investment expertise and client solutions, led by our responsible investment principles.

Our purpose is to deliver sustainable investment success for the benefit of our clients, employees, society and shareholders. We work together across multiple global markets, with over 1,000 employees collaborating to achieve our vision. Our philosophy and culture are based on a set of shared values:

- Care - We care about our clients, society and each other
- Openness - We are open with each other and to different ways of thinking
- Collaboration - We collaborate to deliver the best solutions
- Dedication - We are dedicated to being experts in our respective fields

Our Global Responsible Investment and Stewardship Principles and Policy, which outline our approach to ownership on our clients' behalf, are supported by policies and processes overseen by the Global Responsible Investment Executive Committee. The committee is chaired by First Sentier Investors' Chief Executive Officer.

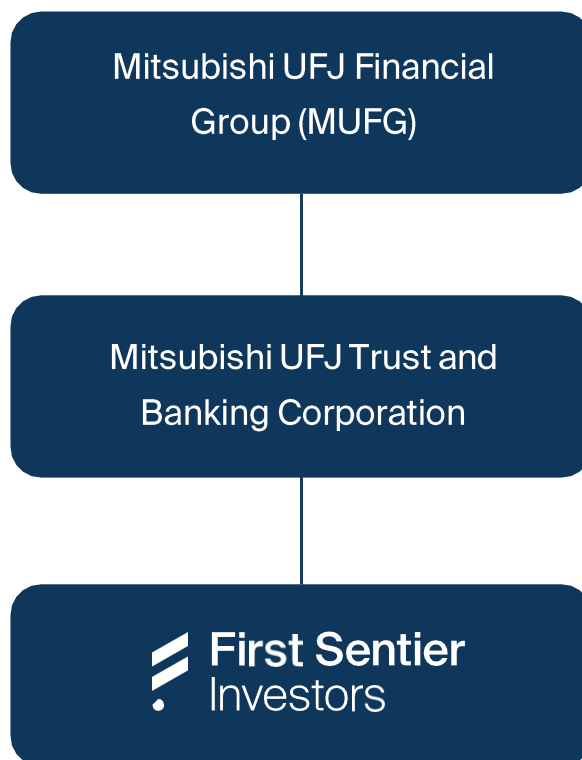
Our operating model has been designed to enable the investment teams to remain focused on their role as stewards of client assets and on their core task of delivering long-term investment outperformance for our clients. This operating model is supported by a scalable operating platform that provides shared services and resources.

*As at 30 June 2023

3. An overview of the ownership, management and governance structures of the organisation

Ownership structure

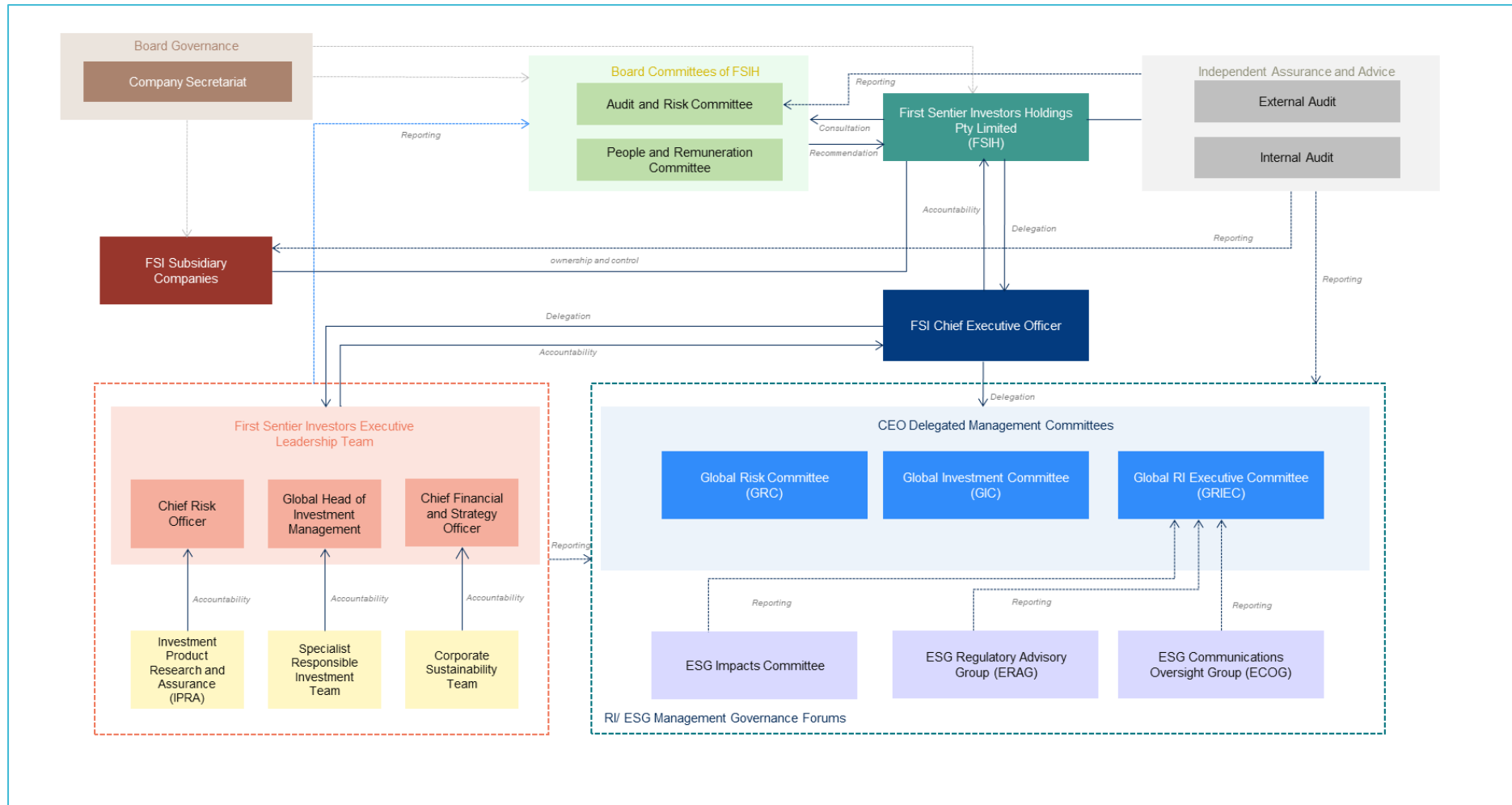
First Sentier Investors is the standalone investment management business of Mitsubishi UFJ Trust and Banking Corporation, a wholly owned subsidiary of Mitsubishi UFJ Financial Group, Inc. (MUFG), which is a publicly owned company listed on the Tokyo, Nagoya and New York Stock Exchange.



* In order to comply with the regulatory requirements of the US Federal Reserve Board, FSI US has additional reporting requirements in to MUFG Fund Services (USA) LLC in the US.

Governance Arrangements

The diagram below illustrates our governance arrangements.



The following committees are the key forums for investment management oversight.

<p>Global Investment Committee</p>	<p>This committee considers a wide range of matters including: fund performance, risk parameters within and affecting funds and mandates, liquidity, and responsible investment and ESG matters arising from a stated investment strategy.</p>
<p>Global Risk Committee</p>	<p>This committee oversees the management of risks assumed by First Sentier Investors in the course of carrying on its business, with particular focus on the measurement, reporting and management of risks relevant to First Sentier Investors.</p>
<p>Fixed Income Best Execution Committee Equities Best Execution Committee</p>	<p>These committees provide oversight of the processes and controls involved in trade execution activity for their relevant asset class.</p>
<p>Fair Valuation Committee</p>	<p>The Committee's purpose is to determine the best estimate of the value, for part or all of the underlying assets, of a Fund where reliable prices are not available at the valuation point. The aim of the Committee, is to produce fair dealing prices and thereby protect the respective interests of ongoing, incoming and outgoing investors.</p>

4. Overview of the key management and investment personnel within the organisation



Profiles of the key management personnel are available on our website: <https://www.firstsentierinvestors.com.au/au/en/adviser/who-we-are/management-team.html>



Profiles of the key investment personnel are available with their respective team profiles on our website: www.firstsentierinvestors.com.au

5. How we ensure client assets are managed in accordance with our investment strategies, and how conflicts of interest are managed.

Compliance with investment strategies

Compliance with our traditional investment strategies is overseen by the Investment Compliance team. The Risk Management and Compliance teams report to the relevant boards and the committees.

All investment restrictions from the investment management agreement, regulatory requirements and internal controls where appropriate are incorporated into an internal compliance document for use by the portfolio managers, relationship managers, risk and compliance personnel, and other selected stakeholders. Sign-off by the relevant stakeholders is required to confirm that the correct process has been undertaken.

The investment restrictions are then coded into the relevant investment management systems so that pre- and post-trade compliance can be undertaken. Investment restrictions are regularly reviewed and audited against compliance documents. Periodic reporting is provided to clients, along with their portfolio information.

Conflicts of interest are covered under point 8, below.

The FSI Global Investment Committee provides overall risk oversight and investment assurance that our funds and mandates continue to be managed in a manner that is consistent with the articulated investment strategy and process. The committee meets on a quarterly basis.

Internal governance

6. Ethical conduct and professional practice

First Sentier Investors has a Global Code of Conduct that outlines how our people are expected to behave, and supports the principles governing conflicts of interest.

7. Personal trading

All FSI employees are subject to the First Sentier Investors global personal dealing policy, which contains the following requirements:

- Employees must obtain prior approval from Compliance before placing most personal securities transactions.
- Additional restrictions apply to investment team members with funds management responsibilities.
- Black lists of securities are maintained. Approval to transact in a particular reportable security will be denied if it is black-listed.
- There is a minimum holding period of 120 days.

8. Management of conflicts of interest to ensure client interests take priority (including gifts and entertainment)

Our policy is to conduct all our business in an honest and ethical manner and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. Conflicts of interest are managed in accordance with our Global Conflicts of Interest Policy which is summarised on our website and we also have a standalone Global Gifts and Entertainment Policy.



<https://www.firstsentierinvestors.com.au/content/dam/web/australia/responsible-investment/au-conflicts-of-interest-statement.pdf>

9. Risk management and compliance

FSI's Risk Management Framework (RMF) is founded on the Risk Appetite Statement, the Risk Management Strategy and the Strategy/Business Plan.

The RMF covers the totality of systems, structures, policies, processes and people within FSI that identify, measure, evaluate, monitor, report, and control or mitigate internal and external sources of material risk.

The Operational Risk Management framework (ORMF) represents a key component of the RMF and has been established to assist in managing operational risk.

10. Trade Error Policies and Incident Management

First Sentier Investors has trade error policies which collectively cover all fixed income and listed equity investment teams and have the overarching imperative to correct errors as soon as reasonably practicable without harm or loss to clients.

Incidents are managed in accordance with the ORMF and must be reported to Risk Management (RM) through the global integrated risk management system, Riskconnect, within 5 business days of identification for ongoing monitoring, management and reporting.

Incidents are assessed to confirm the root cause and impact of the incident and to determine the remedial and preventative actions. RM independently review and approve incident for closure following the completion of the remedial and preventative actions.

If any control weaknesses or gaps have been identified, an issue will be raised in Riskconnect with defined action plans and due dates to remediate the control weakness or gap.

RM will monitor, analyse and report to business management on the ongoing management of incidents.

11. Brokerage and commissions

Managing implementation costs (transaction and brokerage costs, market impact costs and opportunity costs) is integral to our investment processes. It is a discipline in which FSI has a comparative advantage due to our size, various cash flows, investment in the latest trading technology, and the depth of its in-house transaction expertise. Our experience in this area enhances our ability to achieve best execution on behalf of our clients.

In order to minimise our impact on securities prices, First Sentier Investors uses an extensive network of brokerage firms with contacts and expertise in various market segments. Our approach takes into account security price, commission cost, the nature of the order and other factors that are relevant to the interests of the fund.

Our brokerage firms and commission rates are reviewed at least annually. We are able to identify and separate between our execution and third party research costs. In addition, all trades undergo daily, independent, quantitative transaction cost analysis to measure trade performance.

12. Equitable asset valuation and pricing

The Northern Trust Company (NTRS) performs asset valuations, in accordance with a formal agreement as part of our outsourced middle office services. In addition to this, State Street Australia Limited perform asset valuations as part of unit pricing for investment funds we manage in Australia (amongst others). Outside of Australia, there are a number of Fund Administrators supporting asset valuations within unit pricing in a similar way. FSI applies a fair value pricing approach to asset valuations. FSI's fair value pricing policy addresses the issue of determining a value for those securities for which market prices are not readily available. Generally, prices are considered readily available if the exchange or market where the security trades is open and actively trading. Readily available prices will be obtained from independent industry standard vendors.

Where market prices are not readily available, such as in a significant market event, a suspension, delisting or illiquidity, our fair value pricing process requires our Fair Value Committee, which is independent of the investment team, to consider such factors as recently dealt prices in similar instruments, broker quotes and market proxies to determine a fair value. The Fair Value Committee may also solicit a third party pricing vendor to provide a fair valuation. All fair value decisions are documented and retained.

13. Best execution and trade allocation

Each asset class has an approved broker list and from this list the dealers undertake best execution.

We maintain a trade allocation policy that promotes honesty and fairness for clients and investor allocations of the same investment style and asset class. When our Portfolio Managers submit orders for the same security across multiple portfolios our Dealing team may aggregate the orders into one trade to achieve the best outcome for clients. When this occurs fills are pro-rated back across all client portfolios to ensure fairness to all clients.

Remuneration policy

Compensation at FSI includes Base Remuneration and Variable Remuneration. Base Remuneration is set at market competitive levels, while Variable Remuneration outcomes are differentiated in line with performance. We provide various forms of Variable Remuneration, depending on the role and seniority level.

For Investment Professionals, Variable Remuneration is provided to ensure both short term and long term stability of the Investment team and performance. The Short Term Incentives (STI) structure for Investment Professionals are based on portfolio performance benchmarks over 1, 3 and 5 year performance, achieving broader corporate objectives and individual performance including demonstrating our values and meeting risk requirements of their role.

The Long-Term Incentives (LTI) of most of the firm's investment professionals are structured through co-investment instruments aligned to the underlying team funds. This arrangement encourages long-term alignment with clients' interests. It also incentivises investment professionals to reinforce the team's investment philosophies and processes, which include assessing the sustainability risks that may affect investment performance.

A\$223 Billion

In assets managed on behalf of institutional investors, pension funds, wholesale distributors, investment platforms, and financial advisers and their clients worldwide*.



*As at 30 June 2023

Eligibility for STI payments is based on two key elements:

- Fund performance metrics. The overall performance of the funds and/or stock selection relative to benchmarks is the major component of the performance measurement calculation.
- Qualitative factors. These include assessing individual contributions. A risk assessment component is also considered, including the implications of Sustainability (Environmental, Social and Governance) Risk in the investment process.

The annual review provides the opportunity for all analysts and portfolio managers to receive a short-term incentive payment based on a percentage of their base salary and the degree to which they reach their maximum performance measures.

Our LTI structure is in the form of a profit-share scheme. The LTI plans are subject to scheme rules that contain the terms and conditions for eligible employees.

Contribution to business objectives, performance, behaviours and risk management are components that may be considered when allocating profit share.

We actively manage risk associated with measuring and delivering short-term and long-term performance. All activities are carefully managed within our risk framework, and individual STI and LTI outcomes are reviewed and may be adjusted in light of any associated performance and risk outcomes in relation to an individual's performance, the performance of the Investment team, and the performance of the business as a whole.

14. Whistleblower protection policy

First Sentier Investors is committed to maintaining high standards of corporate governance ethics and behaviour.

Consequently, we require that our employees display the highest levels of professionalism in all aspects of their work to facilitate compliance with our Global Code of Conduct and all applicable laws.

We are also committed to maintaining a culture where all employees feel empowered to report misconduct and to feel protected from retaliation when doing so. This extends to the relatives, dependents or spouse of the employee and to others with a connection to First Sentier Investors such as officers, directors, contractors, consultants, suppliers and service providers and their spouse, relatives and dependents.

Individuals as noted above with information in relation to misconduct (including unethical, illegal, corrupt or other inappropriate conduct) are encouraged to Speak Up.



See the Whistleblower protection policy here: <https://www.firstsentierinvestors.com.au/au/en/institutional/footer/whistleblower.html>

Training and development

We are committed to the ongoing training and development of our people, recognising that training and development comprises a combination of experience, exposure and education.

All employees are required to complete our global mandatory learning curriculum which outlines our minimum requirements around understanding risk and regulation.

15. Complaints and dispute resolution

First Sentier Investors has a Global Complaints Handling Policy that provides the principles of complaints management which is supplemented with local customer complaint handling procedures. Complaints are reported to the relevant Boards and committees.



<https://www.firstsentierinvestors.com.au/au/en/individual/footer/complaints-procedure.html>

Wholesale and institutional investors can also contact their relationship manager to make a complaint.

Asset stewardship

16. Monitoring of company performance on financial and non-financial matters

The integration of ESG factors into the investment process is an integral component of our responsible investment practices. Within FSI, there is not one standard approach to ESG integration. For some investment teams it is achieved through the inclusion of an ESG score or rating to refine their investment universe, for others it is integrated into the assessment of management quality and for others it is integrated into valuation methods. We supplement investment team analysis with external ESG research from Sustainalytics, MSCI, ISS and Reprisk.

Detailed information on each team's investment philosophy and process for monitoring company performance is provided in our annual Responsible Investment and Stewardship Reports:



<https://www.firstsentierinvestors.com.au/au/en/institutional/responsible-investment/responsible-investment-reports-and-policies.html>

The commitments our investment teams have made in relation to monitoring company ESG performance are outlined in our Global Responsible Investment and Stewardship Principles and Policy.

17. Engagement with company management and the Board (where appropriate), and escalation of issues in instances where initial engagements have not been adequately responded to

It is important that we engage in an active dialogue with all companies or entities that we invest in, as it provides opportunities to improve our understanding of their business; monitor material business issues including strategy, capital allocation, financials and ESG approach; and enables us to influence them to improve these practices.

The breadth, depth and frequency of engagement will vary significantly based on a variety of factors including the risks and opportunities faced by the company, the opportunity and willingness to engage by the company, and the size or nature of the investment. Given the varying nature of the asset classes we manage, the geographies in which they operate, and the size of our holdings, each investment team's engagement approach is tailored to individual companies and the specific issues in question. There is a focus on material ESG issues that could impact on investment value over all periods, but particularly over the long term.

The commitments our investment teams have made in relation to company engagement are outlined in our Global Responsible Investment and Stewardship Principles and Policy, and asset class specific considerations are outlined in the same document.



<https://www.firstsentierinvestors.com.au/au/en/institutional/responsible-investment/responsible-investment-reports-and-policies.html>

While each investment team has developed an approach relevant to its own investment philosophy and asset class, our clients can expect a shared commitment to engagement from every investment team.

Listed equities

Engagement with company management is a fundamental part of our active equity teams' investment processes. Through company engagement, we seek to highlight areas for potential improvement and risk reduction, encourage improved disclosure on ESG issues, and commend companies that are making progress in these areas. On occasions where our engagement activities are unsuccessful and we believe that this will remain so, we may escalate the issue. For example, we may write to, or meet with the chairperson or lead independent director. We may vote against directors who we believe are not providing appropriate oversight, or we might collaborate on further engagement with other like-minded investors. In some instances we may make our views public.

Ultimately, where we lose confidence in management, following unsuccessful attempts to engage, we may sell down our holding.

Fixed income

In addition to engagement with companies, fixed income and credit teams have opportunities to engage with counterparties, credit rating agencies, government, semi-government and supra-national issuers. Fixed income investors should be proactive in engaging with those parties who can influence long-term investment outcomes. We provide a number of case studies of this engagement in our annual Responsible Investment report.



<https://www.firstsentierinvestors.com.au/au/en/institutional/responsible-investment/responsible-investment-case-studies.html>

Unlisted infrastructure

For unlisted infrastructure assets, our seats on company boards allow direct oversight and influence. The unlisted infrastructure team, Igneo Infrastructure Partners, has a dedicated approach which is available on its website:



<https://www.igneoip.com/esg-commitment>

18. Approach to considering environmental, social and governance factors (risks and opportunities); whether these considerations influence investment decision-making and company engagement

The individual approaches to ESG integration taken by each team are available in our annual Responsible Investment and Stewardship Reports:



<https://www.firstsentierinvestors.com.au/au/en/institutional/responsible-investment/responsible-investment-reports-and-policies.html>

The common elements of these approaches are outlined in our Global Responsible Investment and Stewardship Principles and Policy.

A key part of our approach to RI includes commitments to: support and uphold fundamental principles of human rights, support international norms and standards enshrined in widely adopted treaties, conventions and codes of practice; and uphold the highest standards of environmental stewardship.

Exceptionally, where a company's activities conflict with these commitments, we may implement a company-wide ban on investment (in both equity and debt) in certain sectors or companies. Such a decision is taken by the GRIEC taking into account the factors outlined above, together with our fiduciary duty, client sentiment and long-term sustainability and investment risk.

Currently, we exclude companies that manufacture cluster munitions, antipersonnel mines, cigarettes and tobacco products, and companies and countries on various sanctions lists. Information on our approach to ESG-related exclusions is available in our Global Responsible Investment and Stewardship Principles and Policy.

While each team has developed its own approach relevant to its investment philosophy and asset class, our clients can expect the following from all our investment teams.

Listed equities

Each active listed equities team has a process for identifying and assessing the relevance and materiality of ESG issues for their respective asset classes. For all active equity teams, company engagement is a key source of insights on such risks and opportunities.

Some teams assign specific ESG scores, while others incorporate the assessment into broader views of company management and business quality. All active equity teams hold regular team meetings to discuss company assessments, including ESG factors.

Fixed income

Like our equity teams, our fixed income teams have developed their own approaches to ESG integration that complement their investment processes. All teams within our global fixed income business share significant elements of their investment processes, including analyst resources and our global Investment Opinions Network platform.

All our teams believe that ESG issues have a direct impact on an issuer's risk, and therefore its probability of default. As risks turn into liabilities, they can impact cash flow and, therefore, debt costs and credit ratings.

Unlisted infrastructure

For our unlisted infrastructure team, Igneo Infrastructure Partners, the ownership interest we hold in portfolio companies ranges from approximately 15% to 100%. Our investment professionals are therefore a key part of the corporate governance structure and often sit on governance and management committees, such as boards of directors or shareholder representative groups. Consequently, a more bespoke approach to ESG integration is desirable and necessary. The team has developed separate and detailed RI policies and assessment frameworks, while still adhering to the organisation-wide approach.

Igneo Infrastructure Partners prefers to take a lead role in any acquisition and lead the agenda in the consideration of all investment issues, including ESG. Further, in instances where we do not acquire a controlling interest, we make sure we carefully select like-minded co-investors. That ensures we have a similar approach to all investment issues, including ESG considerations, defining strategy, and approving policies.

Once appointed, our directors oversee executive management, influence business strategy and embed operational and investment policies – including consideration of ESG issues.

These insights, coupled with the best available third party ESG research, are assessed by the relevant company analyst and incorporated into stock notes or reviews. These insights influence company valuations.

19. Proxy voting (see FSC Standard 13)

Proxy voting rights are an important asset for listed equity investors and exercising these rights is a core part of our stewardship responsibilities. We seek to vote on every resolution at company meetings where the client has delegated voting rights to FSI.

Prior to voting, the relevant investment manager and analyst carefully consider each resolution, with guidance provided in our Global Responsible Investment and Stewardship Principles and Policy. Recommendations from a selection of independent corporate governance research providers are also sought.

Our investment teams retain full control over their proxy voting decisions, however, and do not necessarily follow the guidance provided by third party governance research providers. Our website provides a proxy voting tool which discloses all voting decisions post-meeting.



<https://www.firstsentierinvestors.com.au/au/en/institutional/responsible-investment/responsible-investment-proxy-voting.html>

All teams have an approval and escalation process for proxy votes. They maintain records that show when they vote against management. Investment teams are responsible for their own voting and, from time to time, different teams may vote in different ways on the same issue.

We use the corporate governance analysis and recommendation services of Glass Lewis and Ownership Matters and additional corporate governance information from MSCI, Sustainalytics, brokers and other sources.

Proxy voting service providers are selected on the basis of the quality of their research and the extent of their coverage. We have been using Glass Lewis for a number of years and review their performance periodically.

20. Collaborative engagement with other investors, including involvement with industry groups and associations

Much of our engagement is conducted by each team directly with companies, however, we also engage with companies alongside other investors as part of an industry group, or through a letter or other group engagement work.

We take a leadership role on collaborative initiatives and working groups that meet these requirements and seek to align ourselves with organisations that share our values in relation to RI and being a responsible business. We recognise that we will achieve far greater impact on systemic risks when we work together with other investors and service providers.

We provide support to a number of industry groups who are seeking to grow and improve responsible investment and stewardship practices. We review the work, philosophy and advocacy of the organisation of which we are members regularly and seek to positively contribute to their work agenda through participation in governance positions and working groups. While we support the work and we are proud of our association with these groups, they do not represent our views except where we sign specific statements. The industry groups we are currently active members of are listed below:

Global

Principles for Responsible Investment (PRI)

- Signatory

Cambridge University's Investment Leaders Group

- Founder Member
- Chair of Working Group

Climate Action 100+

- Supporting Investor for 3 companies

Tobacco Free Portfolios Pledge

- Signatory and Pledge Stamp Member

Task Force on Climate-Related Financial Disclosures

- Supporter

Finance for Biodiversity pledge

- Signatory

Asia Pacific

Financial Services Council

- Director of the FSC Board
- Member of the Fund Management

Board Committee

- Member of the Investment Expert Group
- Chair of the ESG Working Group

Investor Group on Climate Change

- Member

Responsible Investment Association Australasia

- Member of the Nature Working Group
- Member of the Human Rights Working Group

30% Club Australia

- Investor Working Group Member

40:40 Vision

- Steering Group Member
- Investor Working Group Member

Women in Sustainable Finance

- Committee Member

Investors Against Slavery and Trafficking APAC

- Chair

Japan Sustainable Investment Forum (JSIF)

- Signatory

Japan Stewardship Initiative (JSI)

- Signatory

Hong Kong Green Finance Association

- Member

EMEA

UK Sustainable Investment Forum

- Board Member

EUROSIF

- Member

Prince's Accounting for Sustainability (A4S)

- Expert Panel Member

UK Investment Association

- Member of the Sustainability & Responsible Investment Committee
- Chair of the Standards & Definition Working Group

London Stock Exchange Group

- Member of the Sustainable Investment Committee
- Member of the ESG Advisory Committee.

In addition to this, together with our shareholder, Mitsubishi UFJ Trust and Banking Corporation, the First Sentier MUFG Sustainable Investment Institute commissions thought leadership that aims to enhance industry awareness of sustainable investment, report on market trends and best practice, and promote a greater understanding of how such issues can impact long-term investment performance.

21. Principles used for policy advocacy, including participation with industry groups and associations

We believe that it is our responsibility to engage in public policy debates and industry initiatives on RI topics, in line with our clients' interests and where we have relevant experience. Issues we will seek to engage and collaborate on include:

- Development of best practice
- Quality of markets
- Understanding of ESG factors as sources of risk and return
- Enhancing our clients' interests and awareness of ESG issues
- Policy and regulatory developments
- Implementation of standards for company reporting on material ESG issues

Our Global Responsible Investment and Stewardship Principles and Policy outlines our philosophy in this regard. Our position on policy advocacy in relation to climate change is outlined in our Climate Change Action Plan, which is available on our website:



<https://www.firstsentierinvestors.com.au/en/institutional/responsible-investment/responsible-investment-reports-and-policies.html>

We are strong advocates for responsible investment and stewardship and for more sustainable capital markets.

We believe this is in the best long-term interests of our clients.

22. The approach to client engagement, education and communication regarding asset stewardship.

The ability to deliver sustainable long-term investment performance relies on understanding the needs and meeting the expectations of clients.

We publish annual Responsible Investment and Stewardship Reports. These reports include individual investment team profiles with detailed information about their approach to stewardship and ESG integration, and ESG risk profiles of their funds and portfolio-level carbon data. Our website also presents over 130 case studies, and provides up-to-date proxy voting information and updates on our responsible investment strategy. A number of our investment teams produce team-level quarterly, biannual or annual RI reports.

Additional client communications are tailored to regional needs with client feedback allowing us to create bespoke solutions. For some clients we provide additional reporting as part of investment management agreements. We are constantly looking for ways to provide better and more informative reporting to our clients.

IMPORTANT INFORMATION

This material has been prepared and issued by First Sentier Investors (Australia) IM Ltd (ABN 89 114 194 311, AFSL 289017) (**FSI AIM**), which forms part of First Sentier Investors, a global asset management business. First Sentier Investors is ultimately owned by Mitsubishi UFJ Financial Group, Inc (**MUFG**), a global financial group. A copy of the Financial Services Guide for FSI AIM is available from First Sentier Investors on its website.

This material contains general information only. It is not intended to provide you with financial product advice and does not take into account your objectives, financial situation or needs. Before making an investment decision you should consider, with a financial advisor, whether this information is appropriate in light of your investment needs, objectives and financial situation.

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We have taken reasonable care to ensure that this material is accurate, current, and complete and fit for its intended purpose and audience as at the date of publication. No part of this material may be reproduced or transmitted in any form or by any means without the prior written consent of FSI AIM.

Any performance information has been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

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