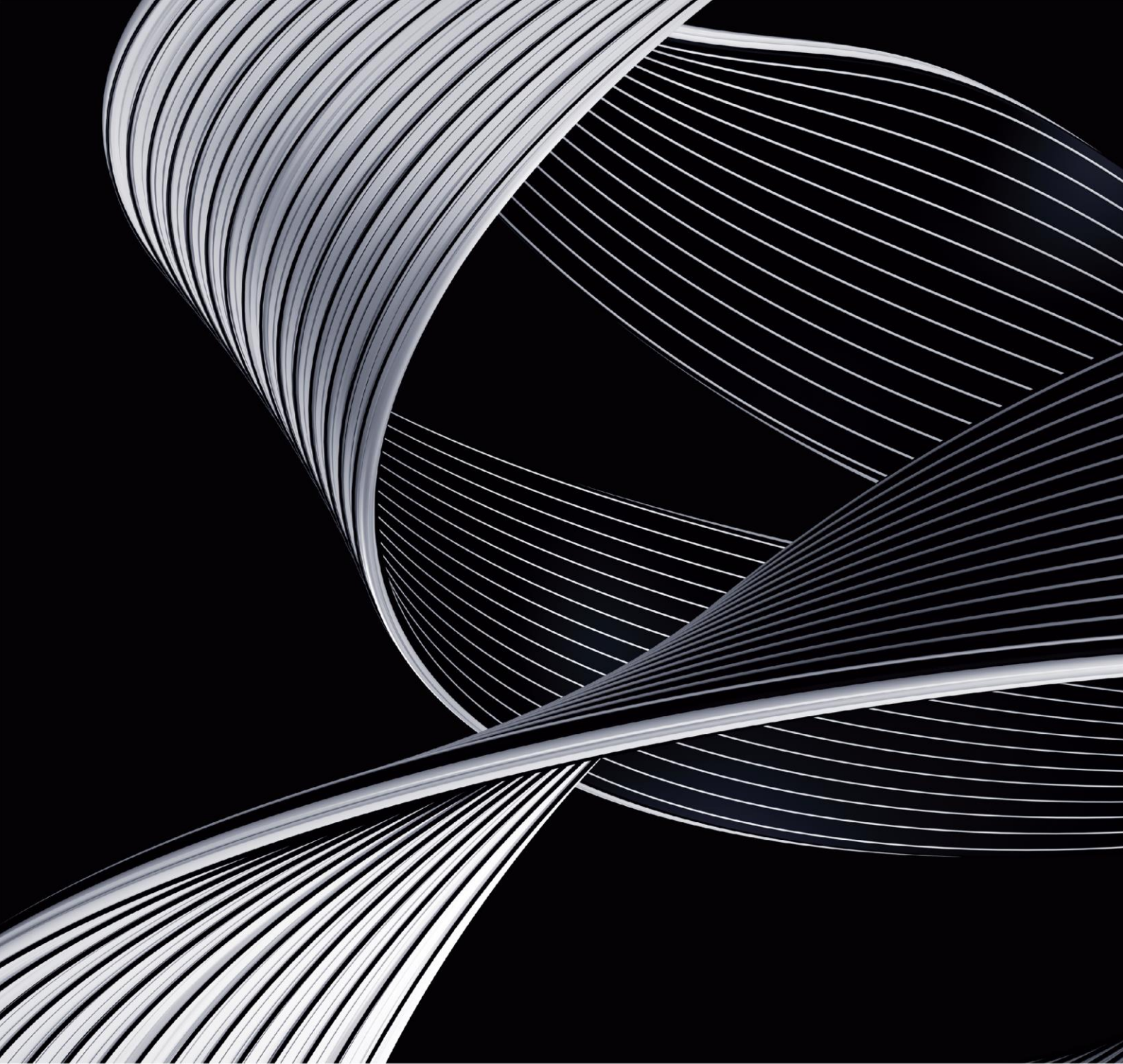




Macquarie Investment Management
Europe S.A.

IFR/IFD Public Disclosure

For the Financial Year Ended 31 March 2025

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1. Overview

This disclosure is in relation to Macquarie Investment Management Europe S.A. (“MIME SA”, “the Firm”). MIME SA is a Luxembourg-incorporated company, authorised and regulated by Commission de Surveillance du Secteur Financier (“CSSF”), under a legal entity identifier 222100BG2FQQTASJ7290.

The Firm is ultimately owned by Macquarie Group Limited (“MGL”). MGL is regulated by the Australian Prudential Regulation Authority (“APRA”) as the non-operating holding company of an Australian deposit-taking institution, Macquarie Bank Limited (“MBL”).

This document sets out the Investment Firms Regulation (“IFR”)/Investment Firms Directive (“IFD”) public disclosures for MIME SA as of 31 March 2025, which represents the end of the Firm’s financial accounting period.

1.1. Basis and Frequency of Disclosure

MIME SA is authorised to receive and transmit orders in relation to one or more financial instruments, execute orders on behalf of clients, provide investment advice and portfolio management, and distribute units or shares in collective investment undertakings in scope of Market in Financial Instruments Directive (“MiFID”) II. As a result, MIME SA is subject to the prudential requirements contained in Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 (the IFR) and in Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 (the IFD).

The Firm is required to publish disclosures in accordance with the provisions outlined in Part Six of the IFR. The disclosure requirements outlined in the IFR are supplemented by the Implementing Technical Standards¹ published in the EU Official Journal.

Under the prudential firm categorisation set out in Article 12(1) of the IFR, MIME SA is categorised as other than Small and Non-Interconnected investment firm (“non-SNI”).

The disclosure for MIME SA is prepared annually, on a solo entity (i.e., individual) basis. MIME SA is not part of an investment firm group for the purposes of IFR/IFD disclosures. The disclosed information is proportionate to MIME SA’s size and organisation, and to the nature, scope and complexity of MIME SA’s activities.

In line with the regulatory requirements outlined in Part Six of IFR, the scope of the information disclosed in this document relates to the applicable provisions of the disclosure requirements; principally to MIME SA’s governance arrangements, risk management objectives and policies, Own Funds, Own Funds requirements and remuneration arrangements in place.

1.2. Validation and Sign-Off

MIME SA is committed to following a robust internal controls framework to ensure the completeness, accuracy and compliance with the relevant standards and regulatory requirements of any external reports and disclosures. As an external publication, this document has been subject to internal verification and approval in line with the IFR/IFD Public Disclosure Framework that is in place to ensure compliance with the regulatory requirements contained in Part Six of IFR.

The governance in place allows for appropriate challenge and oversight prior to publication. The disclosure is not required to be subject to independent external audit.

¹ Implementing Technical Standards on Reporting and disclosures for investment firms (europa.eu)

2. Governance Arrangements

2.1. Legal and Organisational Structure

At incorporation 13 January 1998 in Luxembourg, the Firm was registered as Linde Partners Asset Management S.A. It was renamed to ValueInvest Asset Management S.A (“VIAM”) on 11 June 2008. Following its acquisition by Macquarie Group, VIAM was renamed to its current corporate name, MIME SA, on 26 November 2018.

MIME SA has a single branch located in Denmark, which has been approved by the CSSF and the Danish Finanstilsynet to undertake regulated activities since 1 June 2020.

MIME SA is a wholly owned subsidiary of Macquarie Investment Management Holdings (Luxembourg) S.a.r.l, (“MIMHLS”), an indirectly owned subsidiary of MGL, which is listed on the Australian Securities Exchange (ASX: MQG; ADR: MQBKY) and regulated by APRA as the non-operating holding company of the Australian authorised deposit-taking institution, MBL.

2.2. Business Overview

The wider Macquarie Group² is comprised of four operating groups:

- Macquarie Asset Management (“MAM”)
- Macquarie Capital
- Commodities and Global Markets
- Banking and Financial Services

MIME SA operates within the MAM operating group. MAM provides specialist investment expertise across a range of capabilities including infrastructure, green investments, agriculture and natural assets, real estate, private credit, leveraged credit, fixed income, equities, multi-asset solutions and secondaries.

MIME SA operates as an investment firm, advisor and consultant providing investment solutions. The Firm acts as a fund platform with equities, fixed income and multi-asset fund offerings.

2.3. MIME SA Governance Structure

MIME SA has a formalised governance structure which is designed to provide oversight of the risk management of the Firm’s business operations in line with systems and controls that MIME SA has in place to operate appropriately and in accordance with the necessary regulatory requirements and expectations. The ultimate responsibility for the management of MIME SA falls within the scope of the role and responsibilities of the management body of the Firm, the Board of Directors (“Board”).

Due to its size, nature and complexity of the business activities, the Firm does not have a Risk Committee or a Remuneration Committee as part of its governance arrangements nor is it required to establish these committees as MIME SA does not meet the criteria outlined in Article 32(4) of the IFD.

2.4. Board of Directors

The Board is the main decision-making body of MIME SA. Its primary role is to promote the long-term health and prosperity of the Firm and establish sound and prudent management of the business.

Overall, the Board is responsible for approval and oversight of the strategic objectives, the risk strategy, risk management and governance of the Firm in compliance with its regulatory obligations and providing effective oversight of senior management.

The roles, duties, responsibilities, mandates and membership composition of the Board are formalised in the MIME SA Articles of Association.

In line with MIME SA’s Articles of Association, the minimum number of Directors of the Board is three.

² MGL and its subsidiaries

As at the financial year end (“FYE”) of 31 March 2025, the Board consisted of 5 members. For an overview of the composition of the MIME SA Board, please see Table 1 below.

The Board delegates the day-to-day management of the Firm to the ‘authorised management’ (the “Management”), in line with Article 1(7d) of the 1993 Law and governed by CSSF Circular 20/758.

2.5. Directorships

The following information relates to the appointments of directors held in both executive and/or non-executive functions, including directorships held at external commercial organisations as at 31 March 2025:

Table 1: Overview of all relevant directorships held by the individual MIME SA Board members

Role	Name	Background	Total Number of Directorships
Chair of the Board	John Leonard	John joined Macquarie Group in 2017 as Global Head of Equities. In June 2018, John was appointed to the MIME SA Board as Chair. John has over 30 years of experience in the financial services sector, having previously worked in various roles at UBS Global Asset Management. John is a member of the CFA Institute and holds an MBA from the University of Chicago Booth School of Business.	1
Vice-Chair of the Board	James Robert (Robbie) Burns	Robbie joined Macquarie Group in 2014 and in June 2018, he was appointed to the MIME SA Board. Prior to joining Macquarie, Robbie worked at Ashmore Group Plc and UBS. Robbie holds a bachelor's degree in finance from the Queen's University Canada.	1
Director	Jens Hansen	Jens joined Macquarie Group and MIME SA's Board in 2018 from ValueInvest Asset Management S.A., following its acquisition by Macquarie. Jens comes with over 40 years of experience in banking and asset management, having previously worked in various roles at Spar Nord Bank and Nykredit Bank.	1
Director	Holly Coleman	Holly was appointed to the Board in December 2020. She joined the Macquarie Group in 1999. During her tenure with the Macquarie Group, Holly has held several roles, including the Head of Fund Financial Management, Regional Controller for the European region, and the Australian Regional Lead for the finance team supporting the MAM business. Holly earned her bachelor's degree in accounting at the University of Technology in Sydney, she is a Chartered Accountant.	1
Director	John Pickard	John was appointed to the Board in June 2022, having joined Macquarie Group in 2021. Prior to joining Macquarie, John gained over 30 years of experience in various roles held at UBS, Martin Currie Investment Management and h2glenfern. John has a bachelor's degree in Natural Sciences from Oriel College, Oxford University.	1

2.6. Diversity and Inclusion

MIME SA values the innovation and creativity that diversity of thought brings to the Firm and understands that the concept of diversity and inclusion plays a critical role in establishing strong governance and maintaining a healthy culture from the top as part of delivering higher standards of conduct and success of the business.

MIME SA remains committed to fostering an inclusive culture that welcomes a range of ideas and perspectives.

2.7. Board Diversity and Appointments

A diverse and inclusive Board is an essential component for maintaining a competitive advantage. Consequently, one of the main objectives of the Board is a commitment to ensure that the Board composition is suitable at all times for the MIME SA Board to be an effective decision-making body and to provide successful oversight and stewardship of the Firm.

In its approach and efforts to promote, achieve and maintain diversity at Board level, MIME SA has adopted and applies the Suitability and Diversity Guidelines (“S&D Guidelines”). These guidelines serve as the diversity policy of the Firm.

The S&D Guidelines draw their objectives from the importance of ensuring that the Board members are suitable for the business both individually and collectively. In addition, they seek to ensure that the composition of the Board promotes distinct, individual thinking and decision-making in its role of implementing MIME SA’s objectives aligned with the strategic direction of the Group.

All members of the Board should be suitable at all times. Their suitability is reassessed periodically. Notwithstanding the experience, knowledge and skills of each member of the Board, the overall composition of the Board seeks to reflect an adequately broad range of experience.

The S&D Guidelines are further complemented by the Group Workforce Diversity Policy (“WDP”) to which MIME SA gives regard in selecting its Board members. The WDP defines Macquarie’s commitment to workforce diversity and the structures in place to ensure it is realised.

While MIME SA’s policies and procedures are designed to avoid groupthink, promote sound governance outcomes, facilitate constructive challenge and debate amongst the Board members, during the Board composition suitability and diversity assessments, MIME SA Board considers diversity aspects including but not limited to the following:

- Gender.
- Educational and professional background.
- Ethnicity.
- Geographical provenance.
- Professional experience.
- Tenure and personal background.

3. Risk Management

3.1. Overview of Risk Management and Control Environment

MIME SA's Risk Management Framework ("RMF") is the totality of systems, structures, policies, processes and people that identify, measure, monitor, report and control or mitigate all internal and external sources of material risk. Material risks are those that could have a material impact, financial or non-financial.

MIME SA is subject to a Macquarie Group-wide RMF and comprises the following components:

- Risk governance including policies and procedures.
- Risk culture and strategy.
- Risk appetite framework, including a Board defined risk appetite, risk statements and metrics.
- Risk and control self-assessment.
- Own Funds and liquidity adequacy monitoring, including stress testing.
- Monitoring, reporting and management information.

The Firm seeks to maintain an appropriate and effective risk culture as the foundation of the RMS. The right culture is critical to MIME SA's success.

By operating within the RMS, MIME SA is able to identify, measure, evaluate, monitor, report, manage and ultimately accept risk as an integral part of the Firm's operations.

In addition to implementing the RMS, the Firm has also adopted Macquarie Group's core risk management principles, which underpin the RMF as follows:

- Managing risk: All staff throughout Macquarie have a role in managing risk and are expected to manage risks in accordance with the risk management framework. All staff are expected to foster an appropriate and effective risk culture.
- Risk ownership at the business level: MIME SA authorised managers are responsible for ownership of material risks that arise from the business operations, including identification, measurement, control and mitigation of these risks. As part of the decision-making, clear analysis of the risks is sought to ensure that the decisions taken are consistent with MIME SA's risk appetite and strategy.
- Understanding worst-case outcomes: MIME SA's risk management approach is based on examining the consequences of worst-case outcomes and determining whether these are acceptable and within MIME SA's risk appetite. This approach is adopted for all material risk types and is often achieved by stress testing. MIME SA operates a number of quantitative risk management processes, but the foundation of the approach is the informed consideration of both quantitative and qualitative inputs by experienced professionals.
- Requirement for an independent sign-off by the relevant Risk Management Group ("RMG") stakeholders: the Firm places significant importance on having an independent and effective risk management function comprising skilled professionals, which is responsible for oversight of all risk acceptance decisions. As part of the decision-making process, at an early stage, RMG opinion is sought for all material proposals. Approval documents submitted to MIME SA's Board would include independent input from the MIME SA Chief Risk Officer ("CRO"), and where relevant RMG, on risk and return. The MIME SA CRO and RMG will consider approvals of all new activities, including assessing the potential impact on MIME SA's Own Funds position. Any material impact on MIME SA's Own Funds will be reported to the Board.

3.2. Risk Governance

MIME SA has a formal risk governance structure in place, which forms part of the Firm's RMS, to ensure effective management of the key risks the Firm faces as a result of its business operations and is used to support risk-based decision-making and oversight across MIME SA. The overall responsibility for the risk management at MIME SA rests with the MIME SA Board.

Three lines of defence

MIME SA's approach to risk management adopts the 'Three lines of defence' model in accordance with the MIMESA RMS, which sets risk ownership responsibilities functionally independent from oversight and assurance.

- First line of defence: Primary responsibility for risk management lies with the business. The business has ownership of risks that arise in, or because of, the business' operations. This includes having systems, resources, management processes and operational controls in place for identifying, measuring, evaluating, monitoring, and controlling or mitigating material risks, in accordance with MIME SA's RMS. MAM Risk forms part of the first line of defence and are hierarchically independent from portfolio management teams, reporting through to the MAM Group Head. MAM Risk ensures risks are managed throughout the business operations and that the components of the risk management framework are effectively implemented.
- Second line of defence: RMG forms the second line of defence, which is functionally separate from the first line of defence. RMG is an independent, central unit responsible for ensuring all risks are appropriately assessed and managed across Macquarie Group, including MIME SA. RMG provides objective review and challenge, oversight, monitoring and reporting on MIME SA's material risks. RMG designs and oversees the implementation of the RMF.
- Third line of defence: The Internal Audit Division (IAD) provides independent and objective risk-based assurance on the compliance with, and effectiveness of, MIME SA's financial and risk management framework, including its governance, systems, structures, policies, processes and people for managing material risks.

3.3. MIME SA Board-Approved Risk Appetite Statement

MIME SA's risk appetite, which is set and approved by the MIME SA Board, represents the degree of risk that MIME SA is willing to accept in pursuit of its strategic objectives and business plan, with appropriate considerations of the Firm's capital adequacy risk. The risk appetite is based on a number of principles:

- MIME SA only has appetite for taking risks in a manner which is consistent with the core principles expressed in Macquarie Group's 'What We Stand For' and Code of Conduct. Opportunity, Accountability, and Integrity are the principles which form the basis of all MIME SA's behaviours and actions.
- MIME SA seeks to establish and maintain an appropriate and effective risk culture. This is the foundation of MIME SA's Risk Management framework and is critical to its success.
- Risk-taking must be consistent with MIME SA's strategy and strategic intent.
- All risks must be comprehensively understood before being accepted and generate returns in proportion to their risk.

This principle-based approach is reflected in the MIME SA Risk Appetite Statement ("RAS") as the overarching risk-taking setting of the Firm, which is outlined within the RAS document as follows:

- The established risk tolerances seek to ensure that the Firm only accepts risks consistent with the Board-approved risk appetite. The tolerances are expressed as qualitative statements or quantitative limits for financial and non-financial risks.
- The processes that MIME SA has established, seek to ensure that risk tolerances are set at an appropriate level; compliance with risk tolerances is monitored; and MIME SA takes appropriate steps if or when these thresholds are breached.
- The timing and process is set for review of MIME SA's risk appetite and tolerances.

On an annual basis, the Board reviews and approves MIME SA's RAS, including the appropriateness of the Firm's risk appetite and risk management arrangements, which are used to embed, set and monitor risk appetite for MIME SA's material risks. During the annual setting of the risk appetite, the Board gives regard to Macquarie Group RAS.

The identified risks, which are comprehensively understood before being accepted, are owned at a business level. All material risk acceptance decisions are independently approved by the Board.

3.4. Risk Monitoring and the Flow of Information

MIME SA's RMF incorporates active management, monitoring and reporting of all material risks. The Firm's governance structure ensures that the Board has a comprehensive view of all material risks through regular reporting of MIME SA's risk position and profile.

To facilitate the ongoing monitoring of key risks and ensure that any incidents or regulatory breaches are addressed, MIME SA follows its formal reporting framework, which includes preparing of regular monitoring reports. The key information is escalated to the appropriate level of senior management and the Board, as necessary, to provide the decision makers with relevant risk information necessary for effective oversight of risks within the Firm.

3.5. Internal Capital Adequacy and Risk Assessment Process ("ICARAP")

As part of its RMF, MIME SA undertakes an overall assessment of the effectiveness of the Firm's risks and internal risk control activities. The ICARAP assists MIME SA with identifying and managing risks that the Firm may cause to others and itself through risks that arise from the Firm's regulated and unregulated activities.

Further, the ICARAP covers an assessment of adequacy of the Firm's financial resources, comprising both Own Funds and liquidity, including the internal assessment of the level of Own Funds and liquid assets necessary for MIME SA to hold for its ongoing operations and to facilitate an orderly wind down.

This assessment is recorded in the ICARAP document and includes the following key elements:

- Business overview, strategy and performance forecasts.
- Governance arrangements.
- ICARAP enhancements.
- RMS including the assessment of key risks.
- Own Funds and liquidity internal assessment for ongoing operations.
- Own Funds and liquidity stress testing including recovery actions.
- Reverse stress testing and wind-down planning.

3.6. MIME SA Risk Management Arrangements – Board Statement

The overall responsibility for the effectiveness and adequacy of MIME SA's risk management arrangements, including the Firm's risk management objectives and policies, rests with the Board. The Board recognises that, in pursuit of its business strategy objectives, the Firm's activities may cause potential risk to its clients, market participants and to the Firm itself. These risks are assessed and considered as part of the Firm's RMS and the ICARAP as outlined above.

MIME SA's Board considers the Firm's risk management arrangements operating through the RMS to have been implemented to ensure compliance with the regulatory requirements, guidance and standards. As such, the Board considers the risk management arrangements to be appropriate for minimising risk and in line with the Firm's business strategy, risk profile and the RAS.

3.7. K-Factor Requirements

Part Three of the IFR includes a formulaic methodology, i.e., the K-factor requirement ("KFR"), for the calculation of capital requirements derived from an investment firm's risks, which arise from undertaking regulated activities.

The K-factor methodology falls within the following categories of risk:

Risk-to-Client

Risk-to-Client covers risks posed by an investment firm as part of its business and operations which could negatively impact clients. It comprises four K-factors:

- K-AUM (Assets Under Management)
- K-CMH (Client Money Held)
- K-ASA (Assets Safeguarded and Administered)
- K-COH (Client Orders Handled)

Risk-to-Market

Risk-to-Market captures the impact an investment firm could have on the markets in which it operates. It consists of two K-factors:

- K-NPR (Net Position Risk)
- K-CMG (Clearing Margin Given)

Risk-to-Firm

Risk-to-Firm captures the risks to an investment firm from its business and operations. It consists of three K-factors:

- K-TCD (Trading Counterparty Default)
- K-DTF (Daily Trading Flow)
- K-CON (Concentration Risk)

Based on MIME SA's business activities undertaken in the Financial Year ended 31 March 2025, the single K-factor that applies to the Firm is K-AUM, which captures the risk that arises from the poor management or execution of client portfolios.

MIME SA's exposure to K-AUM is associated with aspects of Operational Risk, more specifically, to the Firm's day-to-day management activities of client assets.

3.8. Material Risks and Their Management

MIME SA has a standardised process, the Strategic Risk Materiality Assessment ("SRMA"), for the determination of the material risks. A risk is considered material where it could have a significant impact on MIME SA's capital, liquidity, or business model and cause harm.

The SRMA evaluates risks under the Macquarie Risk Taxonomy and considers additionally any risk sub-types according to local regulatory requirements and guidance.

Risks are assessed against MIME SA's strategic objectives annually or more frequently in the event of a significant change in a business strategy. The Board owns the materiality assessment conclusions. During the SRMA for the relevant period, the risks outlined below were identified as material to MIME SA's business.

The Firm's risk management approach and the processes which MIME SA utilises for the reduction of the potential for harm arising from the Firm's material risks, are set out below.

Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

MIME SA is exposed to Operational Risk in the course of undertaking its daily business activities.

MIME SA operates within the Macquarie Operational Risk Management Framework (ORMF) which is used to identify, assess and manage associated risk and controls, this also supports in the identification of severe but plausible adverse scenarios that present the greatest loss to the entity. In addition to Macquarie-wide policies and procedures, MAM specific policies and procedures are also implemented to manage risk arising from business activities.

There are a number of key components of operational risk management which achieve minimum standards of business level operational risk management. These include:

- New Product and Business Approval ("NPBA"): All new businesses and significant changes to existing products or processes are subject to a rigorous, interactive approval process.
- Business Operational Risk Managers ("BORMs"): BORMs provide support to implement mandatory elements of operational risk management.
- Risk and Control Self-Assessment ("RCSA"): The MIME SA's RCSA is a formal process of risk self-assessment, designed to identify the various risks that exist in the business, and to record and assess the performance of the controls in place to mitigate those risks.
- Incident Reporting and Escalation: Operational Risk incidents are recorded in the internal loss database and analysed to identify lessons learned and ensure appropriate actions have been taken.

-
- MIME SA relies on a specialist Operational Risk Capital team based in EMEA to perform assessments of potential operational risks that may arise from ongoing operations, for the purpose of setting capital requirements. Assessed using a scenario-based approach.

Credit Risk

Credit Risk is the risk that a counterparty will fail to complete its contractual obligations when they fall due.

Credit Risk, which includes Credit & Counterparty Risk and Concentration Risk as sub-risks, is managed in line with the Firm's RMS and the Macquarie Group Credit Policy.

Credit & Counterparty Risk

The Firm is exposed to Credit Risk, which arises through:

- Intra-group interactions as outlined in the Concentration Risk sub-section below.
- Cash deposits with external banks; and
- Fees receivable from counterparties.

The Firm's approach to Credit Risk management, outlined in the Macquarie Group Credit Policy is that risk acceptance for credit decisions, in excess of modest amounts, are made independently of the business unit involved under a tiered discretions structure. Equity approvals also require independent Credit approval.

All credit limits are subject to (at least) an annual review.

Concentration Risk

Concentration Risk is defined as the risk of loss arising from concentrations of exposures due to imperfect diversification which can arise from the small size of a portfolio or a large number of exposures to specific obligors (single name concentration) or from imperfect diversification with respect to economic sectors or geographical regions.

MIME SA's main source of Concentration Risk arises from both external and intragroup exposures as a result of its interactions with other Macquarie Group entities.

The Firm addresses the Concentration Risk by considering single name, sectoral and geographical credit concentration across all exposures in line with Macquarie's policies that limit large exposures to single counterparties with the exception to intragroup entities.

Intragroup Concentration Risk is monitored regularly against the Macquarie Group liquidity early warning indicators to which a Red/Amber/Green scoring status is applied.

Activation of Amber and Red triggers require taking immediate remediation actions including escalations to the Board and MIME SA's authorised management.

Due to the nature of MIME SA's activities, all external exposures are contained within EU countries. The Firm does not have any appetite for exposure to sanctioned countries.

MIME SA does not have the permission to undertake trading on its own account, thus the relevant K-factor (i.e., K-CON) for calculating the amount of Own Funds that a firm must hold against this risk does not apply to MIME SA. However, MIME SA calculates the amount of additional Own Funds it considers adequate to cover this risk under Pillar 2R discussed in more detail in Section 5 below.

Group Risk

Group Risk is defined as the risk that the actions and activities of other Macquarie Group entities may compromise the financial, operational and reputational position of MIME SA. The Firm is materially exposed to Group Risk primarily through reputational risk and outsourcing of various functions to Macquarie Group.

As a subsidiary of MGL, MIME SA accepts a level of Group Risk.

Group reputational risk management is taken into account in the overall control systems applicable to other material risk areas. The application of common policies throughout the Macquarie Group reduces the reputational risk arising from Group contagion.

Group outsourcing risk is managed via the overarching Macquarie Group Supplier Governance Framework.

Group financial risk, as outlined above, is managed as part of its concentration risk management framework.

Regulatory and Compliance Risk

Regulatory and Compliance Risk is defined as the risk of failure to comply with laws, regulations, rules, statements of regulatory policy and codes of conduct applicable to MIME SA's financial services and other regulated activities.

The exposure to this risk arises from non-compliance with the Firm's regulatory risks associated with its business activities.

MIME SA has established systems and controls to mitigate the potential non-compliance with the Board approved Regulatory and Compliance risk appetite, including the adoption of groupwide suite of internal policies and procedures such as the MIME SA Compliance manual, regulatory change monitoring and completion of the annual compliance monitoring plan.

Business and Strategic Risk

Business and Strategic Risk is defined as any risk to a firm arising from changes in its business, including the risk that the firm may not be able to carry out its business plan and the desired strategy. It also includes risks arising from the firm's remuneration policy.

MIME SA is exposed to this risk through events that result in the loss of assets under management relating to the funds and/or strategies that are managed or advised on by the Firm. The key remuneration risk applicable to MIME SA is that remuneration, both fixed and variable, is delivered in a manner that is contrary to the structure set out in the remuneration policy and is inconsistent with, and/or does not promote sound and effective risk management.

Business and Strategic Risk is managed by MAM through its annual strategy and business planning process and monitored by Group in line with the Macquarie's RMS and RAS as well as the MGL Business Risk Committee ("BRiC"). The approach to its day-to-day management stems from the business units as the first line of defence owning the risk and being supported by the second and third line.

Financial Crime Risk

Financial Crime Risk is defined as the risk of knowingly or unknowingly perpetuating or helping parties to commit or to further potentially illegal activity through MIME SA. Financial Crime Risk encapsulates the risks of money laundering, terrorism financing, bribery and corruption, and non-compliance with economic and trade sanctions.

MIME SA is primarily exposed to this risk through its engagement with the counterparties that it deals with from anti-money laundering and counter terrorism financing perspective and through potential bribery and corruption arising from the conduct of its employees, associated persons and counterparties during the course of business.

Financial Crime Risk is managed through the MAM Financial Crime Risk Management Framework comprising systems, controls and procedures to minimise the Risk and potential sanctions.

Technology and Cyber Risk

Technology and Cyber Risk is defined as the loss resulting from failure, inadequacy or misuse of technology and technology resources owned, managed or supplied by Macquarie Group, including technology outsourced and/or managed on behalf of Macquarie Group.

An exposure to Technology Risk at MIME SA arises through the inability to access or effectively use technology resources provided internally or by a third party (directly or on an outsourced basis). Cyber Risk at the Firm arises from the accidental or intentional unauthorised use, modification, disclosure or destruction of information resources, which compromises their confidentiality, integrity or availability.

Technology, and Cyber Risk is managed through established Macquarie Group systems, controls, policies and procedures which MIME SA has adopted.

3.9. Liquidity (Risk and Requirement)

Liquidity Risk is the risk that the firm is unable to meet financial obligations as and when they fall due.

MIME SA's liquidity RAS sets out that the Firm must be able to meet all of its liquidity obligations during a 12-month period of liquidity stress. MIME SA must also maintain sufficient liquidity to meet all applicable local regulatory requirements. The MIME SA Liquidity policy sets out the Firm's approach to managing its liquidity in compliance with the regulatory obligations set out in the relevant provisions of the IFR/IFD and associated guidelines. Specifically, by

having suitable risk governance arrangements including relevant policies and procedures, controls and robust processes to ensure that MIME SA has sufficient liquid resources both in terms of quality and quantity to meet liabilities as they fall due.

The Liquidity Policy sets out the Firm's approach to managing its liquidity in compliance with internal obligations and regulatory requirements outlined in the IFR/IFD and associated CSSF guidelines.

Liquidity Risk metrics, defined in the Board-approved risk appetite, seek to ensure that at all times MIME SA holds liquid assets, at minimum equal to:

- One third of its Fixed Overheads Requirement ("FOR") known as the Basic Liquidity Requirement ("BLR"); and
- The Overall Liquidity Adequacy Requirement ("OLAR").

As part of the ICARAP, MIME SA performs an internal assessment of the liquid assets required to support its ongoing operations and an orderly wind-down of the Firm, known as the OLAR. The Firm assesses its regulatory and internal compliance by holding core liquid assets to meet the BLR and an additional (internal) liquidity requirement determined during the ICARAP. This is to ensure that the liquidity adequacy in stressed conditions and during an orderly wind-down is met.

The Firm's regular monitoring and reporting to the Board and relevant stakeholders on the Firm's liquidity position is undertaken by monitoring liquidity against the key liquidity metrics. Any triggers or breaches would be escalated in line with the MIME SA Escalations and Triggers Framework ("ETF") which also formalises the procedures in place for instances when MIME SA's liquid assets fall below the internal or regulatory requirements.

4. Own Funds

4.1. Composition of Regulatory Own Funds

MIME SA's Own Funds (i.e. capital resources) comprise exclusively CET1 capital which consists of fully issued ordinary shares and retained earnings, satisfying all criteria for CET1 instruments in accordance with the IFR.

As at the FYE on 31 March 2025, MIME SA complied with the relevant IFR/IFD capital requirements provisions.

Table 2: EU IF CC1.01 - Composition of Regulatory Own Funds

No.	Item	Amounts in EUR	Source based on reference numbers of the balance sheet in the audited financial statements
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	OWN FUNDS	29,243,507	N/A
2	TIER 1 CAPITAL	29,243,507	N/A
3	COMMON EQUITY TIER 1 CAPITAL	29,243,507	N/A
4	Fully paid up capital instruments	1,035,400	Note 8
5	Share premium	333,908	Note 8
6	Retained earnings	22,075,170	Note 8
7	Accumulated other comprehensive income		N/A
8	Other reserves	5,799,029	Note 9 Note 10
9	Minority interest given recognition in CET1 capital	N/A	N/A
10	Adjustments to CET1 due to prudential filters	N/A	N/A
11	Other funds	N/A	N/A
12	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	N/A	N/A
13	(-) Own CET1 instruments	N/A	N/A
14	(-) Direct holdings of CET1 instruments	N/A	N/A
15	(-) Indirect holdings of CET1 instruments	N/A	N/A
16	(-) Synthetic holdings of CET1 instruments	N/A	N/A
17	(-) Losses for the current financial year	N/A	N/A
18	(-) Goodwill	N/A	N/A
19	(-) Other intangible assets	N/A	N/A

No.	Item	Amounts in EUR	Source based on reference numbers of the balance sheet in the audited financial statements
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	N/A	N/A
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	N/A	N/A
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	N/A	N/A
23	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment	N/A	N/A
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment	N/A	N/A
25	(-) Defined benefit pension fund assets	N/A	N/A
26	(-) Other deductions	N/A	N/A
27	CET1: Other capital elements, deductions and adjustments	N/A	N/A
28	ADDITIONAL TIER 1 CAPITAL	N/A	N/A
29	Fully paid up, directly issued capital instruments	N/A	N/A
30	Share premium	N/A	N/A
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	N/A	N/A
32	(-) Own AT1 instruments	N/A	N/A
33	(-) Direct holdings of AT1 instruments	N/A	N/A
34	(-) Indirect holdings of AT1 instruments	N/A	N/A
35	(-) Synthetic holdings of AT1 instruments	N/A	N/A
36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment	N/A	N/A
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment	N/A	N/A
38	(-) Other deductions	N/A	N/A
39	Additional Tier 1: Other capital elements, deductions and adjustments	N/A	N/A

No.	Item	Amounts in EUR	Source based on reference numbers of the balance sheet in the audited financial statements
40	TIER 2 CAPITAL	N/A	N/A
41	Fully paid up, directly issued capital instruments	N/A	N/A
42	Share premium	N/A	N/A
43	(-) TOTAL DEDUCTIONS FROM TIER 2	N/A	N/A
44	(-) Own T2 instruments	N/A	N/A
45	(-) Direct holdings of T2 instruments	N/A	N/A
46	(-) Indirect holdings of T2 instruments	N/A	N/A
47	(-) Synthetic holdings of T2 instruments	N/A	N/A
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment	N/A	N/A
49	(-) T2 instruments of financial sector entities where the institution has a significant investment	N/A	N/A
50	Tier 2: Other capital elements, deductions and adjustments	N/A	N/A

4.2. Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements

The table below describes the reconciliation with Own Funds in the balance sheet as at 31 March 2025, where assets and liabilities have been identified by their respective classes. The information in the table below reflects the balance sheet in the audited financial statements.

Table 3: EU IF CC2 - Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements

	A	B	C
Amounts in EUR	Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross-reference to EU IF CC1
As at Financial Year End	31 March 2025		
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements			
1 Fixed assets	56,164	N/A	N/A
2 Debtors	23,682,061	N/A	N/A
3 Cash	11,454,929	N/A	N/A
4 Prepayments	702,810	N/A	
Total Assets	35,895,964	N/A	N/A
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements			
1 Provisions	3,061,234	N/A	N/A
2 Creditors	3,591,223	N/A	N/A
Total Liabilities	6,652,457	N/A	N/A
Shareholders' Equity			
1 Subscribed capital	1,035,400	N/A	Fully paid-up capital instruments
2 Share premium	333,908	N/A	Share premium
3 Reserves	5,799,029	N/A	Other reserves
4 Profit brought forward	21,686,085	N/A	Retained earnings
5 Profit for the financial year	389,085	N/A	Retained earnings
Total Shareholders' equity	29,243,507	N/A	N/A

4.3. Main Features of Own Instruments

The table below provides information on the CET1 instruments issued by MIME SA.

Table 4: EU IF CCA: Own Funds: Main Features of Own Instruments Issued by MIME SA as at 31 March 2025

No	Item	A
1	Issuer	Macquarie Investment Management Europe S.A.
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	Laws of Luxembourg & IFR
5	Instrument type (types to be specified by each jurisdiction)	Voting ordinary shares issued directly by public limited companies, private limited liability companies, limited partnership companies
6	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	EUR 1.035m
7	Nominal amount of instrument	517,700 ordinary shares having par value of EUR 2 each
8	Issue price	517,700 ordinary shares having par value of EUR 2 each
9	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	19 June 2018
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable Coupons / dividends	N/A
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A
22	Existence of step up or other incentive to redeem	N/A
23	Noncumulative or cumulative	Noncumulative

No	Item	A
24	Convertible or non-convertible	Non-convertible
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	N/A
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A

5. Own Funds Requirements

5.1. K-factor Requirement and Fixed Overhead Requirement

MIME SA is required to disclose the KFR and FOR amounts in relation to its compliance with the Own Funds Requirement (“OFR”) as set out in Article 50 of the IFR. The amounts are presented in the table below.

Table 5: KFR displayed by sums of individual K-factors broken into three categories and the FOR amount

Risk category		Total amount in EUR
Risk-to-Client	$\sum$ K-AUM, K-CMH, K-ASA and K-COH	333,463
Risk-to-Market	$\sum$ K-NPR and K-CMG	0
Risk-to-Firm	$\sum$, K-DTF K-TCD and K-CON	0
TOTAL KFR		333,463
FOR		4,432,409

5.2. Approach to Assessing the Adequacy of Own Funds

MIME SA is further required to disclose its approach to assessing the adequacy of its Own Funds to support the Firm’s current and future activities.

MIME SA undertakes an ICARAP, which is embedded within the Firm’s RMS.

The main objectives of the ICARAP in relation to Own Funds, are:

- Assessment of material risks associated with MIME SA’s business and operations, and the measurement of Own Funds necessary to mitigate these risks.
- Assessment of MIME SA’s Wind-Down Plan to ensure sufficient levels of financial resources are maintained to support an orderly wind down.
- Determination of the Total Own Funds Requirement (“TOFR”) as the level of Own Funds the Firm needs to hold at all times.
- Measurement and maintenance of sufficient Own Funds to meet MIME SA’s TOFR at target operating levels for the forecasted period, allowing for potential changes to factors that affect its risk profile and Own Funds.
- Integration of stress and scenario testing into the key risk management, strategic and decision-making processes of MIME SA and the assessment of Own Funds required to allow for cyclical economic fluctuations.
- MIME SA Board and authorised management review and challenge of key assumptions and the level of Own Funds adequacy forecasted for at least the next 3 years.

The ICARAP is conducted at least annually or following an event of a material change in circumstances as appropriate.

5.3. Compliance with the Total Own Funds Requirement

The Firm’s TOFR comprises of the Pillar 1 plus Pillar 2R plus Pillar 2G elements.

The methodologies used to calculate the individual components of the TOFR are detailed below.

At all times, MIME SA must hold adequate financial resources, both in amount and quality, to ensure that the Firm remains financially viable throughout the economic cycle with the ability to address and mitigate any risks arising from its ongoing activities. In addition, the Firm must be prepared for an orderly wind-down while minimising risks to customers or to other market participants, without threatening the integrity of the financial system.

5.4. Pillar 1

As a non-SNI firm, MIME SA must comply with the provisions of Part Three of the IFR by holding the amount at least equal to the higher of its:

- Permanent minimum capital requirement (“PMCR”) per Article 14.
- FOR per Article 13.
- KFR per Title II of Part Three.

MIME SA complies with its PMCR of EUR 75,000, being a fixed requirement based on the permissions the Firm has to undertake its regulated activities.

The FOR, equal to one quarter of MIME SA’s expenditure from the preceding year after the distribution of its profits and deduction of certain non-fixed expenditure items, is calculated from MIME SA’s audited financial statements.

The KFR methodology for calculating the OFR, is set out in the IFR and provides for a suite of K-factors to be applied as relevant, based on a firms’ permissions. The single relevant K-factor applicable to MIME SA is the K-AUM. This is referred to as the Firm’s KFR.

5.5. Pillar 2R

On an ongoing basis, as outlined in Article 24 of the IFD, MIME SA is required to assess and maintain adequate levels of Own Funds and liquid assets to cover the nature and extent of risks arising from its business activities, which it may pose to others and the Firm itself.

In line with the provisions relating to additional OFR, as set out in Article 40 of the IFD, MIME SA undertakes an internal assessment to calculate any additional Own Funds to cover the Firm’s material risks which are not sufficiently covered by the Pillar 1 requirement.

The assessment and calculation methodology includes the risks associated with the Firm’s ongoing operations and wind-down that are not covered by Pillar 1.

5.6. Pillar 2G

Pillar 2G is the amount of additional Own Funds held that the Firm considers to be adequate to allow cyclical economic fluctuations while protecting against any potential breach of Pillar 1 and Pillar 2R requirements.

In its approach to calculating the Pillar 2G amount, the Firm assesses, as part of the internal assessment, the movements in OFR and in Own Funds. Further, the impact to the Firm’s Own Funds and its ability to absorb any losses are assessed in both normal operating conditions and during stress.

These internal assessments help inform the adequate level of financial resources that MIME SA is required to maintain in compliance with its TOFR.

5.7. Own Funds Adequacy and Monitoring

MIME SA’s approach to ensuring that it has appropriate Own Funds is the alignment with the Firm’s strategy and risk appetite. All identified key risks are individually assessed. The Firm has no appetite to breach its Own Funds requirements.

The Firm performs bi-monthly Own Funds monitoring in line with MIME SA’s ETF and sets levels relating to Own Funds at which specific notifications, escalations and mitigating actions may be taken. Any breach of the set thresholds is escalated in line with the procedures outlined in the ETF.

5.8. Wind-Down Planning and Assessment

The MIME SA Wind-Down Plan, provides an overarching governance framework for the process of ceasing its regulated activities in an orderly manner, ensuring minimal adverse impact to clients, markets or the Firm’s counterparties. It provides a detailed guide and practical steps to assist the MIME SA Board and authorised management in making timely and effective decisions to wind down MIME SA in the event of a severe financial stress.

The Wind-Down Plan includes key actions and a timeline from when a Point of Non-Viability (“PoNV”) metric is triggered, which determines a wind-down event, through to the endpoint of the process, when an entity’s authorisations have been removed by the CSSF. The plan also includes an assessment of costs associated with the wind-down which feed into MIME SA’s capital and liquidity assessments.

The thresholds and escalations set out in the ETF and used in the bi-monthly assessment of Own Funds are aligned and consistent with the wind-down triggers included in the Wind-Down Plan.

The Wind-Down Plan is reviewed and updated at least annually as part of the ICARAP.

6. Remuneration

For disclosures on information concerning MIME SA's remuneration arrangements, including the policy and practices, please refer to the following link: <https://www.macquarie.com/uk/en/investors/regulatory-disclosures.html>.

MIME SA operates a financial year running from 1 April to 31 March.

MIME SA's remuneration disclosures are prepared using the most up-to-date full-year remuneration data available at the time (i.e., 1 April – 31 March).

7. Disclaimer

The material in this document has been prepared by MIME SA purely for the purpose of explaining the basis on which MIME SA has prepared and disclosed certain capital requirements and information about the management of risks relating to those requirements and for no other purpose.

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Unless otherwise specified, all information is as at 31 March 2025.

Although the IFR/IFD public disclosures are intended to provide transparent information on a common basis, the information contained in this document may not be directly comparable with other firms. This may be due to a number of factors such as:

- The mix of business exposures between firms; and
- Pillar 2 capital requirements being excluded from this disclosure but play a major role in determining both the total capital requirements of the Firm and any surplus capital available.

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