



Macquarie Asset Management
Sustainability
Entity Report

June 2026



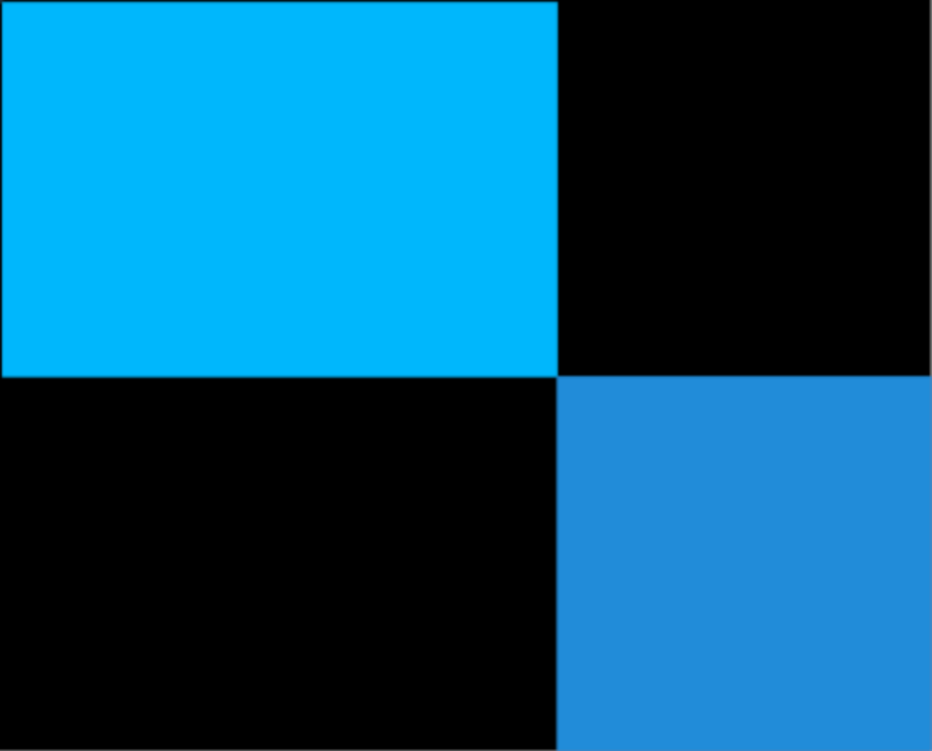
Contents

1.	Introduction	4
1.1	About MAM	4
1.2	About this report	5
1.3	Regulatory summary alignment table	6
2.	Governance	10
2.1	Board oversight	11
2.2	The role of Management	11
2.3	Sustainability within MAM	13
2.4	Sustainability governance within our investee companies	13
3.	Strategy	15
3.1	Identifying material sustainability risks and opportunities	15
3.2	MAM's approach to climate	18
3.3	Climate scenario analysis	19
4.	Risk Management	23
4.1	Macquarie's Risk Management Framework	23
4.2	Our processes for identifying, assessing and managing sustainability and climate-related risks	23
5.	Metrics and Targets	29
5.1	Metrics used to assess sustainability and climate-related risks and opportunities	29
5.2	GHG emissions	31
5.3	Targets	35
	Important information	36



01

Introduction



1. Introduction

1.1 About MAM

Macquarie Asset Management (“MAM”, also referred to in this report as “we”, “our” or “us”) is a leading global asset manager, trusted by institutions, individuals and communities to responsibly manage £354 billion in assets¹. MAM provides clients with a diverse range of investment solutions that seek to deliver superior risk-adjusted returns.

MAM is part of the Macquarie Group (“Macquarie”), a diversified global financial services group operating in asset management, retail and business banking, wealth management, as well as advisory, and risk and capital solutions across debt, equity, financial markets and commodities. Founded in 1969, Macquarie Group employs over 19,800 people in 31 markets and is listed on the Australian Securities Exchange.

MAM has two UK entities regulated by the UK Financial Conduct Authority (FCA):

- Macquarie Infrastructure and Real Assets (Europe) Limited (MIRAEL)², an alternative investment fund (AIF) manager with MiFID top up permissions, that undertakes some of MAM’s Real Assets activities in the UK; and
- Macquarie Investment Management Europe Limited (MIMEL)³, a MiFID investment firm, that undertakes MAM’s Credit and Insurance activities in the UK.

Collectively, these entities are referred to throughout this report as the “Firms”. The Firms’ managed products and services are together referred to as the “Portfolios”.

On 1 December 2025, Macquarie Group announced the divestment of MAM’s public investments businesses in North America and Europe, comprising equities, fixed income and multi-asset portfolios, to Nomura.

As part of this transaction, MIMEL delegates certain non-discretionary investment management services in relation to US private placements to Nomura. These delegations relate to a small number of the Portfolios covered by this Report. Aside from these delegations to Nomura, the Firms do not otherwise delegate portfolio management to third-party (non-affiliate) managers in respect of any other Portfolios (including those in the Firms’ private markets businesses).

For more information about MAM see macquarie.com/mam

¹ As at 31 December 2025. Private markets assets under management (AUM) includes equity yet to deploy and equity committed to assets but not yet deployed.

² Macquarie Infrastructure and Real Assets (Europe) Limited (“MIRAEL”) is registered in England and Wales (Company No. 03976881). The registered office for MIRAEL is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD, United Kingdom. MIRAEL is authorised and regulated by the Financial Conduct Authority (FCA Firm No.195652).

³ Macquarie Investment Management Europe Limited (“MIMEL”) is incorporated and registered as a private limited company in England and Wales (Company No. 09612439, Firm Reference No. 733534). The registered office for MIMEL is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD. MIMEL is authorised and regulated by the Financial Conduct Authority (FCA Firm No. 733534).

1.2 About this report

Both Firms are in scope of the FCA's mandatory climate-related reporting requirements for UK asset managers consistent with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), as set out in Chapter 2 of the Environmental, Social and Governance (ESG) Sourcebook in the FCA Handbook.

MIRAEL is also subject to entity-level reporting under the FCA's Sustainability Disclosure Requirements (SDR), as set out in Chapter 5 of the ESG Sourcebook.

This Sustainability Entity Report (the "Report") covers the period from 1 January 2025 to 31 December 2025 (the "reporting period") and has been prepared to set out the information required under these applicable FCA regulatory obligations.

Within MAM, our focus - and that of the Firms - has been on enhancing our understanding of how sustainability and climate factors may drive risk and present opportunities across our portfolios. The consideration of climate-related risks and opportunities within MAM's own operations has been incorporated into Macquarie's Group-level assessment of climate-related risks and opportunities across its value chain. For further information, please see the [FY2026 Macquarie Group Sustainability Report](#).

This Report is complementary to MAM's sustainability reporting, details of which can be found [on our website](#).

Compliance Statement

The disclosures in this Report are included to comply with the climate-related disclosure requirements in Chapter 2 of the FCA's ESG Sourcebook for both Firms, and the sustainability-related disclosure requirements in Chapter 5.6 of the ESG Sourcebook (SDR) for MIRAEL.

The Firms have taken reasonable care to ensure these disclosures fairly and accurately reflect their approach to climate- and sustainability-related risks and opportunities across the Firms' Portfolios.

Disclaimer

This Report contains forward-looking statements, including estimates and assumptions around climate-related goals, targets, and pathways. These statements are subject to various external factors, many of which are beyond the control of MAM (including the Firms), which may cause actual results to differ materially from those expressed or implied in those statements.

This Report has been prepared using the most up-to-date information available for the reporting period (in so far as is reasonably practicable). While the measures and statements in this Report reflect MAM's (including the Firms'), best estimates and judgements as at the date of this Report, MAM's (including the Firms') views may change in the future as metrics, methodologies and guidance evolve. This Report should be read together with the limitations and qualifications provided in the body of the Report.



.....
Martin Bradley

Chief Executive Officer

Macquarie Infrastructure and Real Assets Europe Limited



.....
Peter Glaser

Chief Executive Officer

Macquarie Investment Management Europe Limited

1.3 Regulatory summary alignment table

The table below provides a brief summary of the Firms' approach to sustainability and climate-related risks and opportunities in alignment with the applicable TCFD and SDR regulatory disclosure requirements as relevant to the Firms.

References are included to support readers to access the relevant sections of the report where further detail is provided.

Pillar	Reg	Disclosure	Summary of approach	Reference
Governance	SDR	The manager's approach to governance, with respect to managing sustainability risks and opportunities	MIRAEL's sustainability and climate-related risks and opportunities are overseen by the MIRAEL Board, MAM's Executive Committee and several supporting committees and teams. Where we have significant influence or control within MIRAEL's Real Assets portfolio, MAM-nominated non executive directors (NEDs) perform a key role in monitoring the management of key sustainability risks and opportunities at the investee company, alongside the rest of the investee company board and management team.	Section 2
		TCFD a) Describe the board's oversight of climate-related risks and opportunities.	The Firms' Boards are responsible for overseeing the material climate risks and opportunities within each Firm's activities, using Macquarie's group-level risk management framework alongside MAM's proprietary environmental and social risk framework.	Section 2.1.
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	The MAM Executive Committee sets the overall strategic direction of MAM's (including the Firms') approach to sustainability and climate-related risks and opportunities. Several governance committees and teams across MAM provide oversight and escalation pathways for sustainability and climate-related matters as they arise.	Section 2.2
Strategy	SDR	The actual and potential impacts of any material sustainability-related risks and opportunities on the manager's businesses, strategy and financial planning	MAM and the Firms manage a diverse suite of products and asset classes on behalf of clients, with varying levels of ownership, influence and typical investment horizon. Consequently, the way we exercise our fiduciary responsibilities and integrate sustainability differs both across and within investment divisions. However, consistent across all businesses is our materiality-based approach where we seek to focus on the sustainability matters that are material to each investee company, its employees and customers, alongside the jurisdictions, industries and communities in which it operates. This ensures effort is focused where issues are most likely to affect financial outcomes or an asset's license to operate. MIRAEL combines this investment-level approach with analysis of sustainability thematic that represent meaningful sources of potential risk and opportunity across our portfolios. A team of internal experts work with our investee companies to support the monitoring and management of these sustainability risks and opportunities, when deemed relevant and material.	Section 3.1

Pillar	Reg	Disclosure	Summary of approach	Reference
Strategy (contd)	TCFD	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<p>Macquarie defines climate risk as the financial and non-financial risks arising from physical, transition or liability climate risks. Climate risk is considered a risk driver, which means Macquarie recognises that it may impact a broad range of material risks, including within MAM's fiduciary management businesses where MAM's management of these risks is considered within the context of its duty to act in the best interests of its clients.</p> <p>In order to support the Firms' understanding of how climate-related risks and opportunities may affect portfolio performance and influence investment strategy, the Firms conducted climate scenario analysis across their private markets portfolios against 2030, 2040 and 2050 milestones. Given the transition of MAM's public investments business in North America and Europe to Nomura during the reporting period, no aggregated scenario analysis was completed for the Firms' remaining public markets portfolios.</p> <p>Analysis showed the private markets sectors deemed to be highest risk for climate transition risk were primarily due to rising GHG pricing through carbon and energy taxes impacting the construction and operation of infrastructure, and the costs of transitioning to lower-emission alternatives. Sectors with the highest identified opportunity, such as renewable energy and infrastructure, were highlighted for their potential for investment growth. In all sectors, physical risks seem to worsen with delayed transition efforts, potentially leading to severe climate impacts. By 2050, all sectors are forecast to reach very high risk under Hot House and Disorderly scenarios, while the Orderly scenario remains at medium risk.</p>	Sections 3.1.5 and 3.2.
		b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<p>Within the Firms' portfolios, exposure to these risks could potentially lead to fair value volatility, increased credit risk and negative impacts on the overall profitability of investee companies, particularly where assets are located in areas that may be less prepared to adapt to changing climatic conditions (for physical risk) or in sectors with higher emissions profiles or where assets may be less prepared for the pace or direction of transition (for transition risk).</p> <p>The Firms seek to support MAM's climate strategy, with efforts focused on four key actions: managing climate risks; decarbonisation; investing in climate solutions; and stakeholder engagement.</p>	Section 3.2
		c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Scenario analysis results indicate that while climate-related risks may be more concentrated in certain sectors, asset types or geographies, these risks are managed through MAM's existing investment, due-diligence, monitoring and engagement processes.</p>	Section 3.3

Pillar	Reg	Disclosure	Summary of approach	Reference
Risk Management	SDR	How the manager identifies, assesses and manages sustainability-related risks	Effective integration and management of sustainability and climate-related matters forms part of MAM's strategy, decision-making, and investment processes. Given the diverse range of products and asset classes MAM manages on behalf of our clients, the way we apply our sustainability policies and frameworks can differ across our businesses.	Section 4.2
	TCFD	a) Describe the organisation's processes for identifying, assessing and managing climate-related risks.	Under Macquarie's Code of Conduct, all staff share responsibility for identifying and managing environmental and social risks, as part of normal business practice. Climate-related and broader sustainability-related risks are considered within the same overarching governance and risk management structures, with escalation, oversight and review processes applied proportionately based on the nature, scale and potential impact of the risk.	
		b) Describe how these processes are integrated into the organisation's overall risk management.	As part of the Macquarie Group, MAM (including the Firms) operates within Macquarie's risk management framework, supplementing this with its own environmental and social risk framework commensurate with its fiduciary responsibilities. The integration of material sustainability and climate factors into our investment decision-making, due diligence and ongoing asset management processes helps our teams identify potential risks to asset performance and operational resilience, as well as opportunities to enhance risk management, and for improvement and innovation. Where we have significant influence or control, we actively engage investee companies throughout the investment lifecycle and conduct asset deep-dives including a review of material sustainability topics at least annually during MAM's holding period. Additionally, investee companies report key sustainability performance data on a semi-annual basis to ensure MAM minimum standards and regulatory requirements are met. For investee companies in scope of MAM's climate-related targets, on-going assessments of board-approved net zero plans are completed.	Section 4.2.1
Metrics & Targets	SDR	The metrics and targets used by the manager to assess and manage relevant material sustainability-related risks	This Sustainability Entity Report is informed by the Sustainability Accounting Standards Board (SASB) Standard for Asset Management and Custody Activities to inform the presentation of metrics in line with the UK SDR for MIRAEL.	Section 5.1
	TCFD	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Scope 1, 2 and 3 GHG emissions data is provided on an aggregated basis across all the Portfolios managed by the respective Firms as at 31 December 2025. The emissions data provided reflects the pro-rated share of emissions attributed to the Firms based on the Portfolios' investments in each investee company (i.e. not the total emissions data we have available for the investee companies).	Section 5.2
		b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.		
		c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	While the Firms have not set their own decarbonisation strategy or any interim targets, they seek to support MAM's approach to decarbonisation. This reflects the Firms' role in supporting client-mandated objectives rather than setting entity-level decarbonisation targets.	Section 3.2 Section 5.3

02

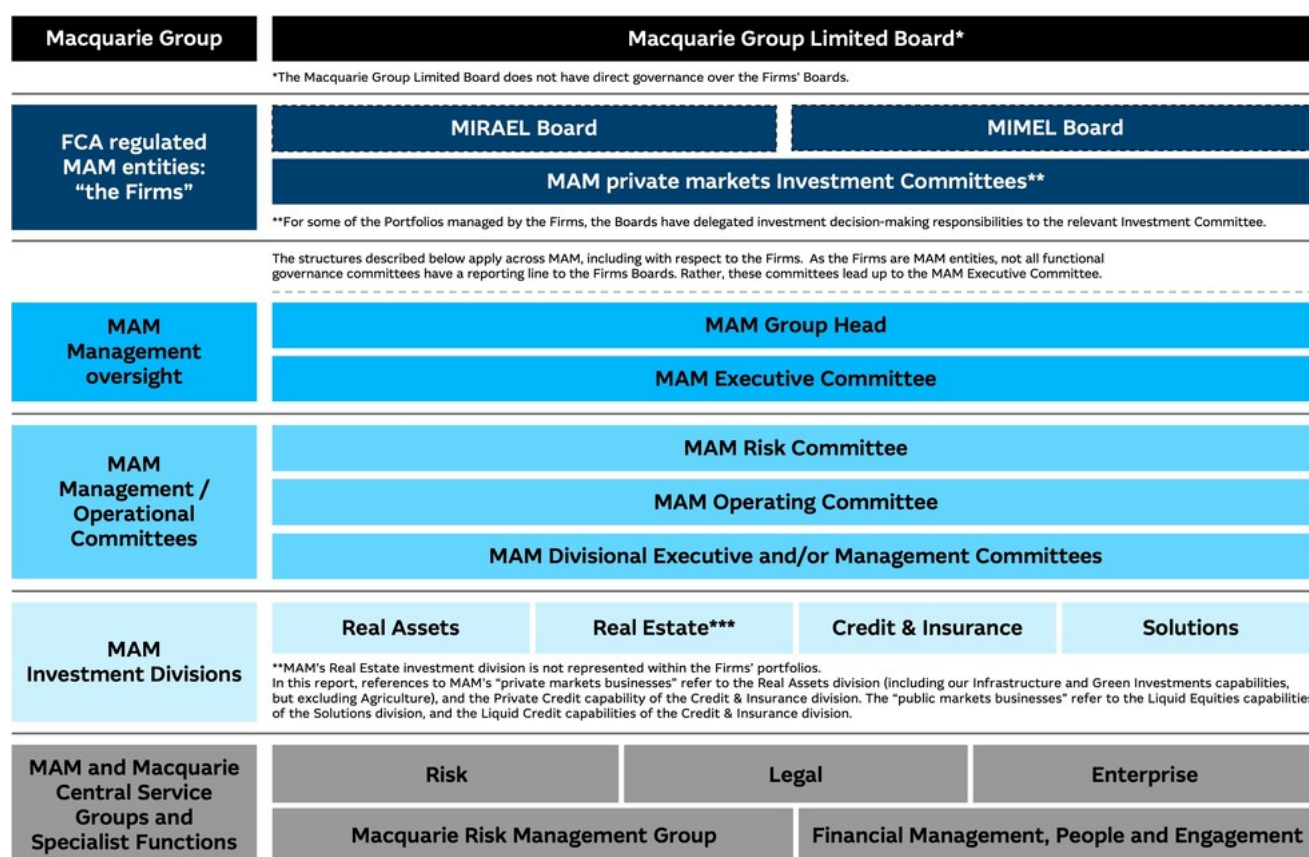
Governance

2. Governance

The Firms' sustainability and climate-related risks and opportunities are overseen by the Firms' Boards, MAM's Executive Committee and several supporting committees and teams.

This section of the Report examines the roles each play with regards to the oversight and governance of sustainability and climate-related issues.

A simplified organisational chart of the key structures, committees and teams involved in supporting the governance of sustainability and climate-related risks and opportunities across the Firms and MAM is shown below.



2.1 Board oversight

Macquarie's Risk Appetite Statement and Risk Management Strategy, which include environmental and social risk and climate risk, are reviewed and approved by the Macquarie Group Limited Board annually. For further information on Macquarie's approach to sustainability and climate risk, please see the [FY2026 Macquarie Group Sustainability Report](#).

The MIRAEL and MIMEL Boards (hereafter the "Boards") are responsible for overseeing the material risks within each Firm's activities using Macquarie's group-level risk management framework (see section 4) alongside MAM's proprietary environmental and social risk framework, applied where MAM is acting in its fiduciary duty.

The Boards receive reports on sustainability-related matters when relevant, including developments in applicable sustainable finance regulation, market news, and updates on relevant internal sustainability initiatives and reporting such as material changes to sustainability frameworks, policies, issues and risk.

During the reporting period, the Boards received dedicated climate risk updates providing information on MAM's approach to climate risk and scenario analysis

2.2 The role of Management

The structures described in this section apply across MAM, including with respect to the Firms. As the Firms are MAM entities, not all functional governance committees have a reporting line to the Boards. Rather, these committees lead up to the MAM Executive Committee.

2.2.1 MAM Executive Committee

The MAM Executive Committee is the global leadership body that defines and governs our strategic direction and ensures all activities align with, and deliver on, our vision.

The MAM Executive Committee sets the overall strategic direction of MAM's approach to sustainability and climate and has accountability for MAM's management of material risks, including sustainability and climate-related risks, that arise in our portfolio of assets under management.

The MAM Executive Committee meets fortnightly and receives sustainability and climate-related reporting as relevant, including updates on asset management initiatives, regulation and reporting.

MAM's Chief Sustainability Officer (CSO) also presents comprehensive sustainability and climate updates to the Executive Committee on a semi-annual basis, covering risks, opportunities, and progress against targets.

Under the MAM governance structure, the MAM Executive Committee implements MAM's strategy across their respective businesses and functions, including the relevant legal entities through which MAM operates.

Further information on the structure and membership of the MAM Executive Committee can be accessed [here](#).

2.2.3 Supporting governance committees

Several governance committees and teams across MAM provide oversight and escalation pathways for sustainability and climate-related matters as they arise. These committees are MAM-wide and not solely for the Firms in scope of this Report.

While they do not consider all sustainability or climate-related issues as a standing agenda item, these are the committees to which any sustainability or climate-related issue arising would be escalated as required. The specific committee selected would depend on the investment division and issue in question and would be determined on a case-by-case basis.

Committees	Meeting cadence	Purpose, roles and responsibilities
MAM Risk Committee	Quarterly	<p>The MAM Risk Committee provides a dedicated forum for the oversight of the identification, measurement, evaluation, monitoring and control or mitigation of material risks that arise in, or because of, the operations of MAM.</p> <p>The committee provides strategic guidance and acts as an escalation forum for members to raise key issues to ensure that MAM appropriately and proportionately manages its material risks and complies with obligations under the relevant laws, regulations and Macquarie policies.</p>
MAM Operating Committee	Monthly	<p>The MAM Operating Committee provides strategic oversight of MAM's operations, key initiatives and risks, acting as an escalation forum to support effective decision making and alignment with business objectives and risk appetite. This includes oversight of operational matters relevant to the delivery of MAM's sustainability objectives.</p>
MAM Divisional Executive Committee and/or Management Committee	Varies for each investment division; at least bi-monthly	<p>Each MAM investment division has an Executive Committee and/or Management Committee. While the terms and scope of each committee may differ across the different divisions of MAM, the committees are typically chaired by the divisional or business heads and are forums for them to receive updates from the key representatives of the relevant business lines and specialist functions. Matters discussed may include sustainability and/or climate-related risks and opportunities, and sustainability-related projects and initiatives.</p>
MAM private markets Investment Committees	As required	<p>Each private markets fund has an Investment Committee, either at fund level or divisional/regional level, dependent on the product strategies. This committee acts as the decision-making body responsible for overseeing the various stages of the investment life cycle. For some of the Portfolios managed by the Firms, the Boards have delegated investment decision-making responsibilities to the relevant Investment Committee.</p> <p>The Investment Committee reviews asset papers and due diligence reports that may contain climate-related risk and opportunities put to the committee by the investment teams for consideration in investment decisions.</p>

2.3 Sustainability within MAM

MAM's Chief Sustainability Officer (CSO) is responsible for the firm's sustainability strategy and coordinates cross-functional working groups to execute the strategy.

The CSO is supported by over 20 sustainability professionals embedded within MAM's asset class divisions and specialist functions who are responsible for the day-to-day implementation of MAM's sustainability and climate approach across MAM's portfolio.

Other MAM specialist teams also support the management of sustainability-related matters, including Portfolio Performance, Inclusion, Work Health and Safety (WHS), Technology and Innovation, and Human Capital.

2.4 Sustainability governance within our investee companies

While MAM may influence and provide recommendations regarding the policies of its investee companies, each investee company is responsible for determining its own governance policies.

Within our Real Assets portfolio, where we have significant influence or control and have MAM-nominated non executive directors (NEDs) on the board of an investee company, they perform a key role in monitoring the management of key sustainability risks and opportunities at the investee company alongside the rest of the investee company board and management team.

NEDs may encourage investee company management to identify and undertake measures beyond compliance, looking to international and industry best practice. Engagement is an integral part of our active management approach.

MAM-nominated NEDs aim to ensure that each business establishes and maintains its own risk management framework which incorporates sustainability issues and supporting policies and procedures.

2.4.1 Business ethics

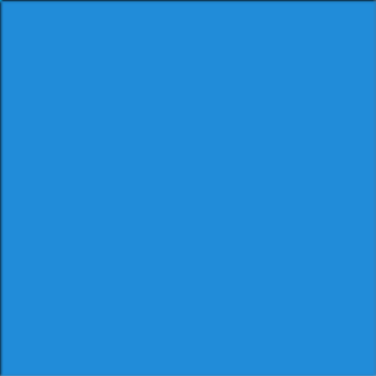

As part of our duty to be a responsible asset manager, MAM has an external, dedicated Escalation Hotline which is available for investee company staff to confidentially report any concerns they may have about misconduct. This Escalation Hotline should only be used for investee company matters which have not been appropriately addressed at the company level or if the investee company employee feels uncomfortable with raising them.

As reflected in Macquarie's Code of Conduct, we share a responsibility in ensuring investee company employees who do speak up can do so without detriment and being personally disadvantaged.



03

Strategy



3. Strategy

At MAM, our primary duty is to act as responsible stewards of our clients' capital, protecting and growing their investments over the long-term, while seeking to generate positive outcomes.

As a leading global asset manager, our approach is underpinned by deep market expertise in the sectors and markets in which we invest. We know from experience that considering material sustainability factors better positions our investee companies to adapt and lead across market cycles driving performance, operational resilience and reducing risk. This approach ensures our investment decisions align with the evolving needs of our clients and the communities in which we invest.

This section introduces the sustainability- and climate-related risks and opportunities MAM has identified within the Firms' Portfolios.

We also describe how climate scenario analysis has been used to support our understanding of potential future outcomes and to test aspects of portfolio resilience across different time horizons.

Defining sustainability risk

Within its investment portfolio, MAM adopts the EU Sustainability Finance Disclosure Regulation (SFDR)'s definition of sustainability risks as environmental, social, or governance events or conditions that, if they occur, could cause an actual or potential material negative impact on the value of an investment.

MAM's management of these risks is considered within the context of its fiduciary duty to act in the best interests of its clients.

Within this, climate risk is specifically defined within the Macquarie Group Risk Management Strategy as a risk driver that is applicable to MAM and its Legal Entities.

See sections 3.1.5 and 3.2 for further detail in line with the recommendations of the TCFD.

3.1 Identifying material sustainability risks and opportunities

MAM manages a diverse suite of products and asset classes on behalf of clients, with varying levels of ownership, influence and typical investment horizon. Consequently, the way we exercise our fiduciary responsibilities and integrate sustainability differs both across and within investment divisions.

However, consistent across all businesses is our materiality-based approach where we seek to focus on the sustainability matters that are most material to each investee company, its employees and customers, alongside the jurisdictions, industries and communities in which it operates. This ensures effort is focused where issues are most likely to affect financial outcomes or an investee company's license to operate⁴.

We combine this investment-level approach with analysis of sustainability thematic areas that represent meaningful sources of potential risk and opportunity across our portfolios.

These thematic areas provide a structured lens for identifying potential cross-portfolio exposures or capability gaps. They reflect topics discussed in our engagement with clients and industry peers, as well as through our due diligence and ongoing asset management activities with our investee companies.

MAM has built a team of internal experts who work with our Real Assets investee companies to support the monitoring and management of these sustainability risks and opportunities, when deemed relevant and material. Focus areas may include:

- Work health and safety
- Cyber security
- Human rights and modern slavery
- Inclusion
- Climate risk and opportunity

⁴ It is important to note that MAM has exposure to investments for which it does not, or it is not possible to, consider material sustainability risks, such as cash securities, currency, derivatives or indirectly held securities, passively managed portfolios that aim to replicate or closely align with a reference benchmark, or where we have appointed external managers that have not integrated sustainability considerations into their investment processes.

3.1.1 Work health and safety (WHS)

MAM acknowledges that WHS risks are inherent in infrastructure investments, and recognises, supports, and promotes the right of every worker to return home safely from their workplace.

MAM has integrated WHS into the Real Assets investment lifecycle as we believe there is a strong correlation between actively managing WHS risk and improving investment returns.

MAM's proprietary Safety Alignment Framework (SAF) sets out our minimum expectations to address the specific WHS risk profiles within our investments, where we have control or significant influence. The framework is regularly reviewed and enhanced to drive consistent WHS principles and expectations for investee companies, seeking to eliminate fatalities and serious injuries.

During the reporting period, MAM updated its WHS Framework expectations in order to incorporate relevant insights and lessons learned from across its investment portfolio. This update supports MAM NEDs in their WHS governance practices, assuring that adequate resources are in place within our investee companies to manage WHS risks and regularly promoting intra-industry WHS forums to share lessons learned between organisations and across regions.

For more detail on MAM's Safety Alignment Framework, see page 42 of the FY25 MAM Stewardship Report.

3.1.2 Cybersecurity

Cyber risk has become an increasingly material sustainability consideration for responsible infrastructure ownership as investee companies' reliance on digital systems and operational technology continues to deepen.

Cybersecurity threats - including data breaches, fraud and unauthorised access to information assets - have the potential to disrupt essential services, impact supply chains and third parties, and create operational, safety, reputational and financial risks.

As an asset manager, MAM takes a proactive approach to managing these risks across our Real Assets investment lifecycle. This is operationalised through MAM's Cyber Governance Framework (CGF), which provides a consistent standard for identifying, assessing and improving cyber maturity across portfolio companies.

The CGF is aligned to the National Institute of Standards and Technology (NIST) Cybersecurity Framework and is being applied across investee companies, supporting NEDs in focusing on the most material aspects of cyber governance and ensuring risk-mitigating controls are implemented and monitored at board level.

For more detail on MAM's approach to cyber security in its portfolio, see page 21 of the FY25 MAM Stewardship Report.

3.1.3 Human rights and modern slavery

Macquarie respects fundamental human rights as set out in the Universal Declaration of Human Rights and core United Nations and International Labour Organization conventions.

In line with the UN Guiding Principles on Business and Human Rights, we recognise our responsibility to protect human rights.

Within MAM's private market businesses, we seek to assess a range of ESG risks, including modern slavery risk, during investment screening and due diligence of new investment opportunities.

Where applicable, MAM aims to support the management teams of investee companies to establish and operate appropriate risk management frameworks that address material ESG risks, including material modern slavery risk. Potential investee companies are also assessed at acquisition stage to determine whether they may be exposed to heightened human rights risks arising from their industry and / or jurisdiction, and thereby meet the requirements for the application of the Macquarie investee company human rights good practice principles and guidance.

Where applicable, MAM private markets investee companies are subject to reporting requirements under modern slavery legislation in their respective regions.

For more detail on MAM's approach to human rights and modern slavery, see page 14 of the Macquarie Modern Slavery Statement.

3.1.4 Inclusion

MAM views inclusion as a business priority fundamental to long-term value creation. An inclusive workforce where staff feel seen, safe and connected enhances innovation, strengthens decision-making, and improves outcomes for clients and communities. MAM is committed to promoting an inclusive workforce and environment within the investee companies that are part of our ecosystem as well as the boards and management teams that serve them.

MAM also recognises that there is not a 'one size fits all' approach and so we continue to work with our Real Assets investee companies to develop plans that are relevant to their business strategies and context. To provide support and leadership on Inclusion, we work with deal teams and investee company nominee directors to embed inclusion considerations throughout the investment lifecycle.

Where we have significant influence or control, MAM's minimum standards ask Real Assets investee companies to embed inclusion practices into their business strategies by establishing an inclusion strategy, and for its board of directors to provide oversight of execution.

Investee companies are expected to report workforce composition information to us annually, where legally permissible. This information is used to monitor progress against company-specific inclusion objectives over time, as well as to inform cross-portfolio engagement priorities and knowledge sharing, and the development of practical toolkits to enhance inclusion practices.

3.1.5 Climate risk and opportunity

As a global asset manager, MAM's fiduciary duty to act in the best interests of its clients requires it to consider material climate-related risks and opportunities in its investment decisions, with a focus on supporting long-term value creation.

MAM's approach reflects the way in which it invests across its portfolio, having regard to material climate-related risks and opportunities, and supports the transition to a low-carbon economy.

Within its portfolio management, MAM considers the financial and non-financial risks arising from physical and transition climate risk drivers:

- physical climate risk includes the chronic risk arising from progressive shifts in climate patterns and the acute risk presented by changes to the frequency and magnitude of extreme weather events;
- transition climate risk includes risk arising directly or indirectly from the process of (orderly or disorderly) adjustment towards a lower-carbon and more environmentally sustainable economy, including changes in policy and regulatory settings, technological innovation, social adaptation and market changes;

Further detail on MAM's approach to climate risk and opportunities is explored in Section 3.2.

3.2 MAM's approach to climate

While the Firms have not set their own decarbonisation strategy or any climate-related targets, they seek to support MAM's efforts to support the transition to a low-carbon economy, which are focused on four key actions:

1. **Managing climate risks:** action to support the identification, assessment, monitoring, management and reporting of physical, transition and liability climate risks.
2. **Decarbonisation:** adopting appropriate methodologies, targets, and implementation strategies across asset classes to support the decarbonisation of its portfolio.
3. **Investing in climate solutions:** facilitating client investment in technologies, services and solutions that mitigate climate impacts and enhance adaptation and resilience opportunities.
4. **Stakeholder engagement:** engaging with clients, industry and government to address challenges and barriers to drive an orderly and just transition to a low-carbon economy.

3.2.1 Managing climate risks

Physical risk

As one of the world's largest infrastructure managers with assets across critical transport links, utilities and communications infrastructure, we have a responsibility to actively support our investee companies in addressing and mitigating the physical impacts posed by climate change.

Within our portfolios, exposure to physical climate events could potentially lead to fair value volatility, increased credit risk and negative impacts on the overall profitability of investee companies, particularly where assets are located in areas that may be less prepared to adapt to changing climatic conditions.

The effects of climate change are already being observed today. Local weather patterns and site-specific hazards are affecting assets and borrowers through operational interruptions, increased maintenance requirements, insurance-related cost pressures and variability in cash flows. Chronic climatic shifts are also expected to influence the frequency and severity of acute events over time.

Our approach therefore considers both near-term observed conditions and longer-term scenario-based changes, ensuring attention to what is occurring now as well as what may arise in the future.

Integrating physical risk management into our climate risk approach plays a role in mitigating these potential risks and helps protect our assets. The Risk Management Chapter explores this in more detail.

Transition and liability risk

Within our portfolios, exposure to these risks could lead to fair value volatility, increased credit risk and negative impacts on the overall profitability of investee companies, particularly in sectors with higher emissions profiles or where assets may be less prepared for the pace or direction of transition.

Transition pathways can evolve in different ways. Changes in policy, regulation, technology or market dynamics may occur gradually or may accelerate at certain points in time. Sudden shifts, such as rapid changes in carbon pricing, technology cost curves or industry standards, can influence short-term market conditions and affect the valuation and operational environment of certain companies. These possibilities are reflected in our assessment of transition pathways and evaluation of portfolio resilience.

Supporting the transition to a low-carbon economy is a complex challenge, where policy, technologies and frameworks continue to be developed and refined.

MAM continues to support carbon-intensive industries, including those in the electricity, water, gas, agriculture, transport, mining, oil and waste sectors, in recognition that these are industries providing products and services that communities rely on. MAM also recognises that the impacts of a changing climate will not be evenly distributed, with lower-income communities and countries more at risk and with fewer resources to adapt. For these reasons, MAM believes that engagement with investee companies, rather than divestment, supports the development of sustainable long-term solutions.

3.2.2 Decarbonisation

Consistent with the Macquarie Group's climate strategy, MAM's ambition⁵ is to support the goals of the Paris Agreement⁶ by managing its portfolio in line with its Decarbonisation Strategy.

How MAM pursues its Decarbonisation Strategy differs across its portfolio, and progress with individual assets is dependent on the degree of MAM's control or influence, its fiduciary duties, and technological and regulatory developments.

Under MAM's Decarbonisation Strategy:

- MAM encourages investee companies across all asset classes within MAM's portfolio to implement emissions reduction strategies
- in addition, for assets within its Real Assets and Real Estate portfolios where MAM has control or significant influence, MAM aims to manage those assets in line with net zero Scope 1 and 2 emissions by 2040.

For further detail on MAM's decarbonisation methodologies, targets and implementation strategies see [Our approach to decarbonisation](#).

3.2.3 Investing in climate solutions

Macquarie has invested significantly in the development and deployment of climate solutions over the past two decades. As global demand for energy and the parallel need to decarbonise increase, there is a growing requirement for new renewable energy generation, storage and distribution infrastructure.

Through MAM's Green Investment team, its green investment strategies manage \$A30billion in global assets⁷ supporting the energy transition, working with over 30 portfolio companies. The team of dedicated specialist green investors are committed to delivering solutions at scale that enable the transformation of energy systems and provide the secure energy required by communities and businesses into the future.

3.2.4 Stakeholder engagement

We know that it will take global collaboration to effect systemic change and tackle climate change. As an asset manager and fiduciary, MAM recognises the importance of stakeholder collaboration and frequently engages with a range of stakeholders on sustainability matters, including climate change. By doing so, we aim to refine our own approach, share knowledge and collaborate on global sustainability challenges such as the transition to a low-carbon economy, in order to create value for our clients.

For further detail on MAM's approach to stakeholder engagement, see the [FY25 MAM Stewardship Report](#).

3.3 Climate scenario analysis

In order to support the Firms' understanding of how climate-related risks and opportunities may affect portfolio performance, in 2024 the Firms engaged a third-party specialist to carry out a climate scenario analysis exercise across their private markets portfolios against 2030, 2040 and 2050 milestones.

As there have been no material changes to the Firms' private markets portfolio composition, exposure locations, data quality or methodology since the analysis was completed, the Firms continued to rely on these results for the current reporting period. For more information on the approach taken by investment division, as well as the pre-mitigation screening results for the Firms' combined private markets Portfolios, see the [Firms' 2024 TCFD Report](#).

⁵ MAM is made up of multiple legal entities that are subsidiaries of Macquarie. Such entities, including the Firms, have not set their own decarbonisation strategy or any climate-related targets. Such entities may take actions to support MAM's ambition by applying the implementation strategy for relevant asset classes in their respective portfolios, as set out in 'Our approach to decarbonisation' where appropriate and in line with applicable legal and regulatory obligations. Unless otherwise specified within fund offering documents, MAM's investment funds have also not set their own decarbonisation strategies nor climate-related targets and there is no guarantee that a fund's portfolio will achieve net zero emissions during the life of the fund or an individual investment in a fund's portfolio will achieve net zero emissions by a certain date.

⁶ As a global asset manager headquartered in Australia, MAM has sought to support the goals of the Paris Agreement when developing our Decarbonisation Strategy. MAM has therefore not specifically considered the UK government's commitment to a net zero economy ((as set out in the Climate Change Act 2008 (2050 Target Amendment) Order 2019 <https://www.legislation.gov.uk/ukpga/2008/27/contents>) when developing our strategy.

⁷ AUM is defined as proportionate enterprise value, calculated as total proportionate equity and net debt managed by MAM Private Markets excluding any crossholdings in the funds. Proportionate share also includes MAM managed consortium and mandate assets. Net Debt is defined as gross debt less cash at asset level. Equity value is the current valuation of the asset including shareholder loans. AUM includes equity yet to deploy and equity committed to assets but not yet deployed. The AUM incorporates assets held within the MAM Green Investments strategies, where a commitment has been made to invest in line with the Green Investment Policy, irrespective of the form of participation. This metric has not been prepared for statutory or regulatory purposes and should be understood as distinct from such measures. The management structure and individual composition of teams may vary across strategies and differ from those reflected in other AUM measures. Figures correct as of end March 2026.

Throughout most of the reporting period, a third-party 'climate scenario alignment analysis' tool was available to MAM's public markets investment teams, including those of the Firms. Output from the tool could be produced at the investee company, portfolio or sector level. Results were available to investment teams to analyse the alignment of an investee company or portfolio to different climate scenarios, and to identify the current and future emissions intensity performance of an investee company.

Given the active transition of the public markets businesses to Nomura during the reporting period, no aggregated scenario analysis was completed for the Firms' remaining public markets portfolios.

MAM intends to revisit its approach to climate assessments across both private and public markets portfolios in future reporting cycles.

3.3.1 Private markets scenarios

The following methodologies and scenarios were applied:

- **Physical risks:** We used hazard indicators from downscaling climate models according to three Intergovernmental Panel on Climate Change (IPCC) shared socioeconomic pathway scenarios,

linked with corresponding scenarios from the **NGFS**. We used sector-specific thresholds from our third-party specialists' database to determine risk levels for each hazard, allowing us to apply relevant criteria to any asset within a given sector. Physical risks covered include, but were not limited to, sea level rise, water stress and extreme weather events such as flooding, wildfires and extreme heat.

- **Transition risks:** By combining third-party subject matter expertise with targeted literature reviews, including peer-reviewed CDP reports, the two most material risks and opportunities for each sector were identified. A risk or opportunity was deemed to be material if it had the potential to significantly impact the portfolio company and the sector in which it operates. The NGFS dataset was then used to analyse the identified risks and opportunities across three scenarios and multiple geographies. The change in the value of the identified risks and opportunities was then calculated for the years 2025, 2030, 2040, and 2050. Transition risks considered include, but were not limited to carbon pricing policy, shifts in supply and demand of commodities, rapid low-carbon technology change, and changing customer and community expectations.

Scenario	Description of scenario ⁸	Physical risk scenario ⁹	Transition risk scenario ¹⁰
Hot house world	Scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.	SSP5-8.5	Current policies
Disorderly transition	Scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors. Carbon prices are typically higher for a given temperature outcome.	SSP2-4.5	Delayed transition
Orderly transition	Scenarios assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.	SSP1-2.6	Net zero 2050

⁸ Network for Greening the Financial System, Scenarios Portal, <https://www.ngfs.net/ngfs-scenarios-portal/>.

⁹ Illustrative scenarios that cover the range of possible future development of anthropogenic drivers of climate change covering very high GHG emissions (SSP5-8.5), intermediate GHG emissions (SSP2-4.5), and low GHG emissions declining to net zero around or after 2050, followed by varying levels of negative CO2 emissions Climate Transition Risks: Heatmap (SSP1-2.6), IPCC, 2021: [Summary for Policymakers](#).

¹⁰ Scenarios assume ambitious scenario that limits global warming to 1.5°C by 2100 through "business as usual" scenario ("Current policies"), no annual emission decrease until 2030 requiring strong policies to limit warming to below 2°C with limited CO2 removal ("Delayed transition"), and stringent climate policies and innovation ("Net zero 2050").

3.3.2 Scenario Findings

Scenario analysis involves inherent uncertainty, as different models and assumptions can generate varying projections of future climate risks, and long-term climate and policy developments remain uncertain. Accordingly, the analysis was used as a risk management tool to assess potential exposure across a range of plausible futures, rather than to predict which pathway is most likely.

The analysis was conducted on a pre-mitigation basis and does not reflect mitigation measures already implemented by investee companies. As a result, post-mitigation risk levels may be lower than indicated. Nevertheless, the results provide insights into where climate-related risks may be more concentrated across sectors, asset types or geographies, helping to inform due diligence, ongoing monitoring and engagement priorities.

Transition Risks & Opportunities

Those sectors deemed to be highest risk were primarily due to rising GHG pricing through carbon and energy taxes impacting the construction and operation of infrastructure, and the costs of transitioning to lower-emission alternatives.

Sectors with the highest identified opportunity, such as renewable energy and infrastructure, were highlighted for their potential for investment growth. The analysis also suggested the importance of balancing short-term transition costs with long-term low-carbon growth opportunities.

Physical Risk

The analysis demonstrated that in all sectors, physical risks seem to worsen under scenarios with delayed transition efforts, potentially leading to severe climate impacts. By 2050, all sectors in the Private Credit portfolio are forecast to reach very high risk under Hot House and Disorderly scenarios, while the Orderly scenario remains at medium risk.

In contrast, the majority of sectors in the Real Assets portfolio remain at medium risk across scenarios and time horizons, although outcomes vary by sector and location, reflecting greater geographic diversification and the aggregation of asset-level results across a wider range of locations and hazards.

This highlights the possible trade-off between incurring transition costs in the near-term and experiencing the long-term impacts of physical risks. More pronounced effects were observed in the Private Credit portfolio where physical risk was assessed using country-sector proxies and a narrower set of the most material hazards, resulting in less averaging of risk outcomes under more severe climate scenarios. This effect is reinforced by the composition of the portfolio, which spans fewer geographies than the Real Assets portfolio and does not benefit from the aggregation of physical risk assessments conducted at individual asset level across multiple hazards and locations.



04

Risk Management

4. Risk Management

Strong corporate governance and risk management underpin everything we do. Our corporate values and key policies define the way in which we operate.

Within this section we discuss MAM's - and therefore the Firm's - approach to identifying, assessing and managing sustainability and climate-related risks within its portfolios of assets under management.

4.1 Macquarie's Risk Management Framework

Macquarie's approach to identifying and managing environmental and social risks is embedded across its risk management framework (RMF).

Key artefacts that support the RMF include the Risk Appetite Statement and the Risk Management Strategy, which set out Macquarie and MAM's approach to managing sustainability and climate risk.

For more detail on Macquarie's risk management framework and risk governance, see the [FY26 Macquarie Group Annual Report](#).

4.1.1 MAM's application of the RMF

As part of the Macquarie Group, MAM operates within Macquarie's RMF. In addition, asset management businesses - comprising of fund and portfolio management businesses - within Macquarie are required to have their own environmental and social risks framework in place, commensurate with their risk profile and fiduciary responsibilities. Therefore, MAM also has its own risk management policies that reflect the investment, credit, liquidity, operational, legal and reputational risks specific to our business structures, operations, investments and stakeholders.

The MIRAEL and MIMEL boards are responsible for overseeing the material risks arising within each entity's Portfolios, including the impacts of sustainability and climate-related risk drivers. Examples of processes in place for MAM and the Firms to manage these impacts are outlined below.

4.2 Our processes for identifying, assessing and managing sustainability and climate-related risks

Effective integration and management of sustainability matters is core to MAM's strategy, decision-making, and investment processes. Given the diverse range of products and asset classes MAM manages on behalf of our clients, the way we apply our sustainability-related policies and frameworks can differ across our businesses.

Under Macquarie's Code of Conduct, all staff share responsibility for identifying and managing environmental and social risks, as part of normal business practice.

Climate-related and broader sustainability-related risks are considered within the same overarching governance and risk management structures, with escalation, oversight and review processes applied proportionately based on the nature, scale and potential impact of the risk.

Macquarie's approach to risk management adopts the 'three lines of defence' model, which sets risk ownership responsibilities functionally independent from oversight and assurance.

4.2.1 First line of defence - MAM's investment and asset management teams

Business ownership of risk is an essential element in understanding and managing risk. The first line of defence responsibility is owned by each of MAM's investment and asset management teams, who are responsible for identifying and monitoring risks within their portfolios, and reporting on those set out by MAM's transaction management and risk management policies and frameworks.

The integration of material sustainability and climate factors into our investment decision-making, due diligence and ongoing asset management processes helps our teams identify potential risks to asset performance and operational resilience, as well as opportunities to enhance risk management, and for improvement and innovation.

Where we have significant influence or control in our Real Assets portfolios, we actively engage investee companies throughout the investment lifecycle and conduct sustainability 'deep-dives' at least annually during MAM's holding period. Additionally, investee companies report key sustainability performance data on a semi-annual basis to ensure MAM minimum standards and regulatory requirements are met. For investee companies in scope of MAM's climate-related targets, on-going assessments of board-approved net zero plans are completed.

This engagement is supported by dedicated systems, internal expertise and access to third-party datasets which enable teams to identify relevant sustainability-related risks and opportunities and to monitor progress where appropriate throughout the investment lifecycle.

Investment and asset management teams are supported in their first line of defence duty by specialist professionals in compliance, risk, and legal, to ensure that all risks, including sustainability and climate-related risks, are identified and managed appropriately across MAM.

Established second and third-line functions within MAM and RMG (see Section 4.2.3 below) provide oversight and guidance to MAM on climate risk regulation, legislation and industry guidance. Macquarie's Greenwashing Standard also provides guidance to our people to help manage legal, regulatory and reputational risks relating to greenwashing in parallel to MAM's wider marketing.

A summary of our approach for each investment division managed by the Firms is set out below. Further detail on our approach and the tools we use is available [pages 34-41 of the FY25 MAM Stewardship Report](#)

4.2.1.1 Our integrated approach to sustainability risk management

Private markets – Real Assets and Private Credit

As set out in section 2.4, investee companies are responsible for identifying, assessing and managing the risks, including sustainability and climate-related risks, arising within their organisation’s operations.

In line with its fiduciary duty as portfolio manager, MAM - and therefore the Firms - provides its own additional risk management oversight.

Our sustainability-related policies and procedures outline a structured approach for conducting due diligence, assessing and managing material sustainability-related risks and opportunities, and monitoring relevant performance indicators over time.

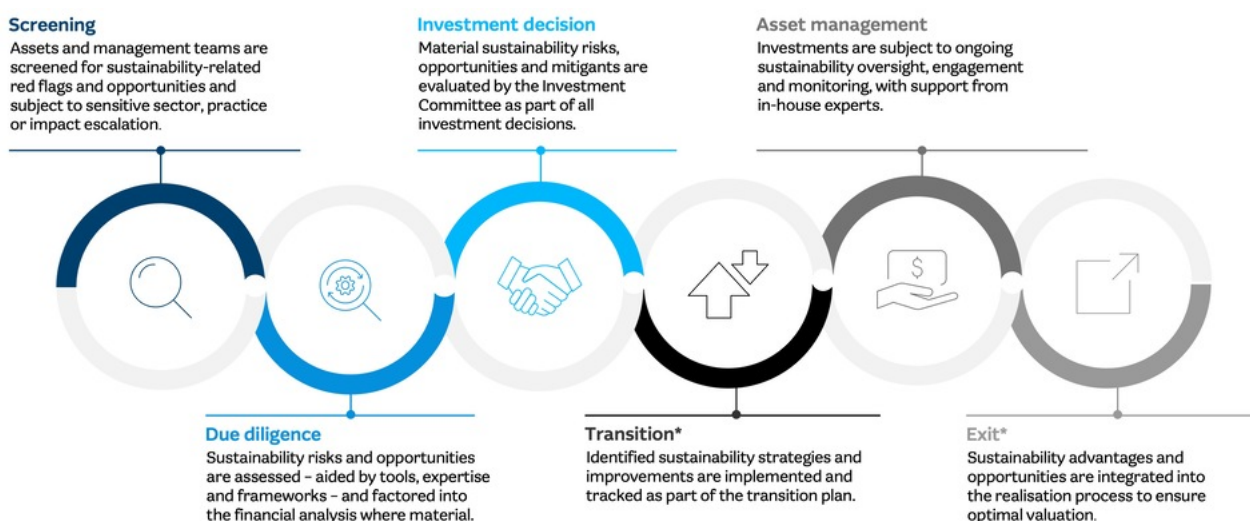
During investment screening and due diligence of new investment opportunities, MAM private markets businesses seek to assess a range of sustainability-related risks as described above. Any material risks identified, along with the level of control and influence over the new investment, are considered when making the investment decision and where appropriate these are sought to be addressed during the transition phase, where relevant.

Within the Real Assets portfolio, MAM supports management teams to review and establish and operate appropriate risk management frameworks that address material sustainability and climate risks throughout the investment lifecycle.

To help preserve and create long-term value for our clients, deep dive reviews or increased investee company engagement may be undertaken to respond to material risks identified.

Investment and asset management teams engage with investee companies where possible, and actively monitor key sustainability-related trends and events. These engagements tend to be strategic in nature and provide additional insights into a range of factors, including business drivers, performance, emergent risks and sustainability factors.

Material risks identified by the investment teams throughout the investment life cycle are escalated as appropriate and discussed with the relevant teams and committees, in some instances to the second line of defence (see Section 4.2.3).



* Not applicable within Private Credit

4.2.1.2 Public markets - Liquid Credit & Listed Equities

Where in line with our fiduciary responsibilities and when identified as potentially meaningful or impactful by the relevant research analysts or investment professionals, sustainability and climate-related risks are considered as part of our investment analysis to support the decision-making process for portfolio inclusion across our global public markets businesses.

MAM public markets funds generally make small, non-controlling investments in a wide range of listed securities and other financial instruments. Investment teams apply tailored sustainability policies and frameworks to allow for differences in investment styles between asset classes, while still aligning to the broader MAM approach and sustainability strategy. These asset class specific policies and frameworks set out minimum standards for assessing and considering sustainability risks, where deemed material to the specific asset class, credit risk or investment performance.

Teams have access to third-party datasets and impact assessment tools to analyse the alignment of an investment or portfolio with different climate scenarios, to identify the current and future emissions intensity performance, and to assess both physical and transition climate risks.

MAM Risk (Investment Risk) also conducts fund-specific monitoring pre- and post-trade to ensure that funds are operating within mandates, including for sustainability and climate-related characteristics.

Engagement and voting may be used where appropriate as a way of mitigating sustainability risks. Investment teams may, in some cases, also choose to divest from investee companies or issuers where they consider sustainability risks are material, as a measure of last resort.

It is important to note that MAM has exposure to investments for which it does not, or it is not possible to, consider material sustainability risks, such as cash securities, currency, derivatives or indirectly held securities, passively managed portfolios that aim to replicate or closely align with a reference benchmark, or where we have appointed external managers that have not integrated sustainability considerations into their investment processes.

For further information on all the tools and resources available, please refer to [MAM's FY25 Stewardship Report](#)

Sustainability training and knowledge sharing

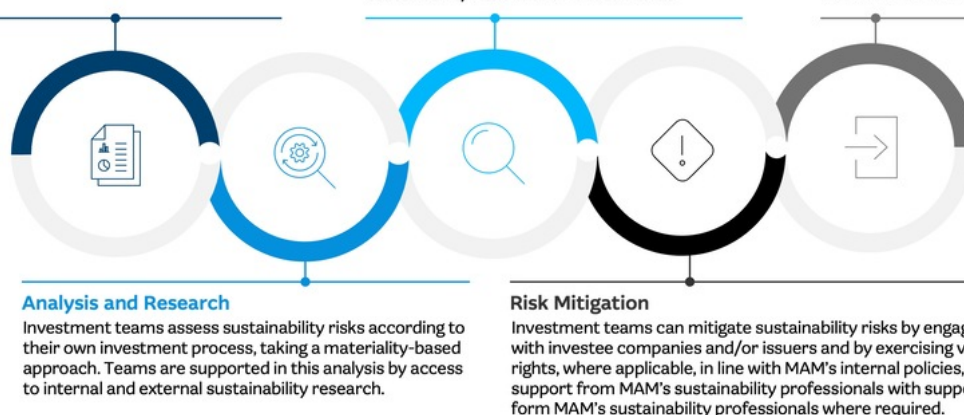
Investment teams have access to internal and external sustainability training opportunities. MAM's sustainability professionals support best practice through engagement with investment teams.

Ongoing Monitoring

In addition to the implementation of exclusion rules and screening criteria by the independent investment risk management team, the investment teams continue to monitor material sustainability risks of their investments.

Divestment

Investment teams may choose to trim or divest from holdings in companies and/or issuers with severe sustainability risks as a measure of last resort.



4.2.2 Second line of defence - Risk Management Group (RMG)

Macquarie's RMG, as the second line of defence, is an independent and centralised function responsible for independent and objective review and challenge, oversight, monitoring and reporting in relation to Macquarie's material risks.

RMG is structured into specialist functional divisions and employs an integrated approach to risk analysis and management across risk classes.

This includes consideration of climate-related risks and their implications for the Firms through activities such as the identification of new risks under the New Product and Business Approval (NPBA) process; assessment of changes arising from regulatory or market developments, and assurance activities.

4.2.3 Third line of defence - Internal Audit

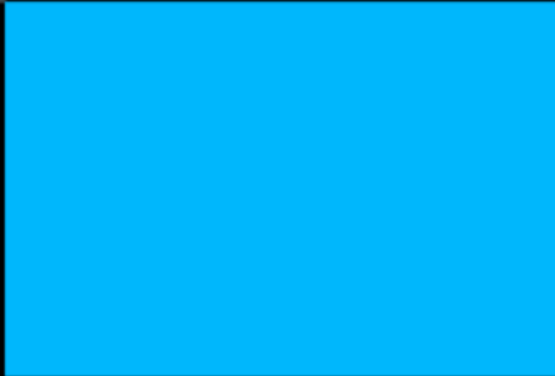
The Internal Audit Division (IAD), as the third line, provides independent and objective risk-based assurance on the compliance with, and effectiveness of, Macquarie's financial and risk management framework, including those associated with climate.

For further information on Macquarie's management of climate-related risks, please see the [FY2026 Macquarie Group Sustainability Report](#).



05

Metrics & targets



5. Metrics and Targets

In this section, we provide metrics used by the Firms to assess and manage relevant sustainability- and climate-related risks within its in-scope portfolios of assets under management.

Disclosures relating to MAM's (including the Firms') own business operations, and those pertaining to on-balance sheet investments, are not included in the metrics provided in this Report. For further information related to MAM's own operations please see the [FY2026 Macquarie Group Sustainability Report](#).

5.1 Metrics used to assess sustainability and climate-related risks and opportunities

This Sustainability Entity Report draws on the Sustainability Accounting Standards Board (SASB) Standard for Asset Management and Custody Activities to inform the presentation of metrics in line with the UK SDR for MIRAEL.

While certain SASB metrics are focused on an asset manager's own operations, the UK SDR is primarily concerned with the management of sustainability risks and opportunities across portfolios. Therefore, given the diverse nature of the portfolios and the impracticality of applying sector-specific SASB standards to each underlying investment, the metrics have been applied in line with the overall intention behind the SASB framework, with a focus on their relevance to portfolio management and investment decision-making.

Topic	Metric	Code	Response
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	FN-AC-330a.1	Workforce diversity metrics are subject to jurisdiction specific legal definitions and reporting frameworks that are not applied consistently across regions. Aggregation of such data at an entity or portfolio level would therefore involve combining non comparable measures, limiting interpretability and decision usefulness. Accordingly, MIRAEL does not report aggregate workforce diversity metrics for investee companies and instead discloses its approach to inclusion governance and portfolio oversight. A description of our approach to inclusion with our portfolios can be found on page 17.
	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing and (3) screening	FN-AC-410a.1	All assets within MIRAEL's Portfolio are screened for sustainability and have sustainability integrated into the investment lifecycle where any material sustainability risks or opportunities are identified.
Incorporation of ESG Factors in Investment Management & Advisory	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment or wealth management processes and strategies	FN-AC-410a.2	The integration of material sustainability and climate factors into our investment decision-making, due diligence and ongoing asset management processes helps our teams identify potential risks to asset performance and operational resilience, as well as opportunities to enhance risk management, and for improvement and innovation. Section 4.2.1 sets out the integration approach taken by the Firms across both private and public markets.
	Description of proxy voting and investee engagement policies and procedures	FN-AC-410a.3	Section 4.2.1 touches on how engagement and voting may be used where appropriate as a way of mitigating sustainability risks. Further detail is provided in MAM's FY 25 Stewardship Report .
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-AC-410b.1	See Section 5.2 for financed emissions data for disaggregated by Scope and in-scope entity.
	Description of the methodology used to calculate financed emissions	FN-AC-410b.4	See Section 5.2.1.
Business Ethics	Description of whistleblower policies and procedures	FN-AC-510a.2	As part of our duty to be a responsible asset manager, MAM has an external, dedicated Escalation Hotline which is available for portfolio company staff to confidentially report any concerns they may have about C-suite level and senior management misconduct. For further information see Section 2.5.

5.2 GHG emissions

In calculating the metrics, we have used a calculation date of 31 December 2025. Products that were terminated, or where the Firms' TCFD in-scope business-related activities were terminated, prior to this date have not been included in the metrics provided.

The emissions data provided reflects the pro-rated share of emissions attributed to the Firms based on the Portfolios' investments in each investee company (i.e. not the total emissions data we have available for the investee companies).

The table below sets out the Scope 1, 2 and 3 GHG emissions on an aggregated basis across all the Portfolios managed by the respective Firms as at 31 December 2025.

Year-on-year movements in aggregated emissions reflect the dynamic nature of the portfolio, including new investments, divestments, changes in ownership stakes, evolving data coverage at the underlying asset level, and changes in emissions performance at individual assets. As such, fluctuations between reporting periods are expected and do not, in isolation, indicate a portfolio-wide trend.

Metric ¹¹	Unit	MIMEL		MIRAEL	
		2025	2024	2025	2024
Investee company emissions¹²					
Scope 1 GHG emissions	million tCO ₂ e	0.8	1.5	1.8	2.0
Scope 1 GHG emissions data coverage	%	85	80	87	92
Scope 2 GHG emissions	million tCO ₂ e	0.2	0.4	0.5	0.6
Scope 2 GHG emissions data coverage	%	84	80	84	91
Total Scope 1 + 2 GHG emissions	million tCO ₂ e	0.9	1.8	2.3	2.7
Scope 3 GHG emissions	million tCO ₂ e	5.2	5.0	3.9	2.3
Scope 3 GHG emissions data coverage	%	80	70	69	83
Weighted average carbon intensity (Scope 1 + 2)	tCO ₂ e / £m revenue	231	475	250	353
Sovereign emissions					
Scope 1 GHG emissions	million tCO ₂ e	0.1	0.3	n/a	n/a
Scope 1 GHG emissions data coverage	%	100	94	n/a	n/a
Scope 2 GHG emissions	million tCO ₂ e	0.0	0.0	n/a	n/a
Scope 2 GHG emissions data coverage	%	100	94	n/a	n/a
Total Scope 1 + 2 GHG emissions	million tCO ₂ e	0.1	0.3	n/a	n/a
Scope 3 GHG emissions	million tCO ₂ e	0.1	0.2	n/a	n/a
Scope 3 GHG emissions data coverage	%	100	94	n/a	n/a
Weighted average carbon intensity (Scope 1 + 2)	tCO ₂ e / £m GDP PPP	199	208	n/a	n/a

¹¹ 2024 data has been restated since the Firms' previous report to reflect the latest available data and updates in scoping.

¹² Only actual emissions data reported by MAM's private markets portfolio companies is included in MAM aggregated figures. This approach ensures consistency in reporting emissions data across all asset classes.

5.2.1 Calculation of metrics

5.2.1.1 Investee company emissions

The Firms calculate investee company Scope 1, 2 and 3 GHG emissions in accordance with the GHG Protocol methodology.

Scope 1 GHG emissions

Scope 1 GHG emissions are 'direct' emissions that occur from sources that are owned or controlled by the investee company. Examples of these include emissions from combustion in owned or controlled boilers, furnaces, vehicles etc; and emissions from chemical production in owned or controlled process equipment.

Scope 2 GHG emissions

Scope 2 emissions account for 'indirect' GHG emissions arising from the generation of purchased electricity consumed by the investee company.

Purchased electricity is defined as electricity that is purchased or otherwise brought into the organisational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated.

Scope 3 GHG emissions

Scope 3 is a reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions arise as a consequence of the activities of the investee company but occur from sources not owned or controlled by the company. Examples of Scope 3 activities include extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services.

Scope 3 emissions reporting practices vary across investee companies. In many cases, investee companies report emissions for only a subset of Scope 3 categories, and may therefore be incomplete.

Coverage

Coverage is reported individually for MIMEL and MIRAEL. It is calculated as the current value of investments (aggregated across the portfolios of MIMEL and MIRAEL respectively), for which investee companies have disclosed any Scope 3 emissions data, divided by the current value of all investments to which that indicator is applicable (excluding cash, derivatives and other assets). It is expressed as a percentage.

Coverage reflects the availability of disclosed Scope 3 data only and does not indicate the completeness of Scope 3 reporting at a category level.

Information on the number or scope of Scope 3 categories reported by individual investee companies is not consistently available.

MIMEL coverage increased from 2024 to 2025 due to portfolio composition changes, and improved emissions data availability within the Private Credit portfolio.

MIRAEL coverage is lower in 2025 compared to 2024 primarily due to differences in data availability at the reporting cut-off date, particularly for investee companies acquired during the reporting period. The 2024 comparative figures have been restated to incorporate the latest available investee company data, whereas 2025 figures include only data available at the time of report production.

Weighted average carbon intensity (WACI)

WACI is calculated by determining the Scope 1 and Scope 2 emissions (in tCO₂e) generated for each unit of revenue (in million Pounds Sterling (£m)) for each investee company. WACI is only calculated for an investee company where both Scope 1 and Scope 2 emissions data is reported.

The amount calculated for each company is weighted by the current value of MAM's investment in that company as a proportion of the value of all portfolio / investee companies in MAM's portfolio that have data available to calculate this metric.

The aggregate of all weighted investee company values is reported as the WACI.

5.2.1.2 Sovereign emissions

MIMEL calculates sovereign emissions in accordance with PCAF recommendations¹³. No sovereign emissions are presented for MIRAEL as this entity does not hold sovereign debt.

Scope 1 GHG emissions

For sovereigns, Scope 1 emissions refer to domestic GHG emissions arising from sources located within the country's territory.

Scope 2 GHG emissions

Scope 2 sovereign emissions refer to those occurring as a consequence of the domestic use of grid-supplied electricity, heat, steam and/or cooling which is imported from another territory.

Scope 3 GHG emissions

Scope 3 sovereign emissions refer to those emissions attributable to non-energy imports as a result of activities taking place within the country's territory.

Coverage

Coverage is calculated as the current value of sovereign holdings that have data available to calculate a particular indicator, divided by the current value of all sovereign holdings to which that indicator is applicable.

Coverage increased from 2024 to 2025 due to a change in portfolio composition. In 2024, there was a higher exposure to sovereign securities through listed Fund of Fund structures. Look-through calculations of sovereign emissions were not performed for these holdings due to difficulties in systematically sourcing this information.

Weighted average carbon intensity (WACI)

WACI is calculated by determining, for an individual sovereign holding, the Scope 1 and Scope 2 emissions (in tCO₂e) generated for each unit of gross domestic product (GDP) adjusted for purchasing power parity (PPP) (in million Pounds Sterling (£m)) of the individual sovereign nation associated with that sovereign holding.

The amount calculated for each sovereign holding is weighted by the current value of MAM's investment in that sovereign holding as a proportion of all sovereign holdings in MAM's portfolio that have data available to calculate this metric.

The aggregate of all weighted sovereign holding values is reported as the WACI.

5.2.2 Preparation of metrics

MIRAEL - Real Assets business

Data reported for MIRAEL relates to MAM's Real Assets business and has been sourced directly from investee companies. Where data is not provided by investee companies, these companies have been excluded from the metrics reported above - no estimation is currently performed.

MAM actively engages with investee companies to improve GHG emissions reporting and coverage.

MIMEL

Data reported for MIMEL relates to both MAM's Private Credit business and MAM's public markets businesses.

MIMEL - Private Credit business

Private Credit data has been sourced directly from borrowers or key equity sponsors where provided, or, if available, sourced indirectly from reports or databases such as sustainability reports, operational reports and government databases.

Where data is not available either directly or indirectly, these companies have been excluded from the metrics reported above - no estimation has been performed.

This approach ensures consistency in reporting emissions data across all asset classes.

¹³ As set out in PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition <https://carbonaccountingfinancials.com/files/downloads/PCAF-Global-GHG-Standard.pdf>

MIMEL - public markets businesses

Public markets data has been sourced from Sustainalytics¹⁴ for listed equities and corporate bonds and from publicly available sources for sovereign debt.

Where data is not available, these investments have been excluded from the metrics reported above – no estimation is currently performed.

Sovereign emissions have been calculated using data sources recommended by PCAF, including:

- Climate Watch¹⁵ - Scope 1 emissions, including land use, land use-change and forestry (LULUCF)
- OECD¹⁶ - Scope 2, Scope 3 emissions
- World Bank¹⁷ - PPP adjusted GDP

Sovereign emissions have been calculated in respect of bonds and treasury bills issued by individual sovereign nations. Calculated sovereign emissions exclude instruments issued by sub-sovereign and municipal counterparties, as well as supranational entities such as the European Union. Additionally, the calculation excludes exposure to central banks via cash, foreign exchange and derivatives.

5.2.3 Data gaps and limitations

Climate data, models and methodologies are continuing to evolve. To date, they are not of the same standard as those available in the context of other financial information, nor are they subject to the same (or equivalent) disclosure standards, historical reference points, benchmarks or globally accepted accounting principles.

As a result of this, reporting of ESG data still lags behind financial reporting in its accuracy and completeness.

For this Report, MAM has used a variety of data sources to prepare the metrics, as described in Section 5.2.2. MAM has not verified the data in this Report and the data has not been subject to third-party assurance. It must be cautioned that any data source used may not be comprehensive, may use estimations, or may involve a qualitative assessment, for example by a third-party data provider. Further, discrepancies can occur between data sources, as well as data gaps, lags, or limitations in the methodology for a particular data source.

Divergent views, approaches, methodologies, and disclosure standards exist in the market, including among data providers, with respect to the identification, assessment, disclosure, or determination of sustainability factors, indicators or adverse impacts associated with an investment, product or asset, and different persons may consider or treat the same investment, product, asset, targets, actions or the like, differently from a sustainability perspective. Data provided by a third-party may also be subject to change.

The data providers or sources that have been used for the preparation of this Report, may differ from the data providers or sources that are used by specific investment teams in their management of MAM's fund and products (including, without limitation, for the purposes of meeting or monitoring the environmental or social characteristics or sustainability objectives of such products).

It is not currently possible for MAM to give an accurate numerical representation of the associated margin of error with respect to the data presented in this Report.

MAM does not make any representation or warranty as to the completeness or accuracy of any data (whether actual or estimated) that is disclosed in this Report, including data provided by third parties.

¹⁴ Copyright © Sustainalytics, a Morningstar company. All rights reserved. The information, data, analyses and opinions contained herein: (1) includes the proprietary information of Sustainalytics and/or its content providers; (2) may not be copied or redistributed except as specifically authorized; (3) do not constitute investment advice nor an endorsement of any product, project, investment strategy or consideration of any particular environmental, social or governance related issues as part of any investment strategy; (4) are provided solely for informational purposes; and (5) are not warranted to be complete, accurate or timely. The ESG-related information, methodologies, tools, ratings, data and opinions contained or reflected herein are not directed to or intended for use or distribution to India-based clients or users and their distribution to Indian resident individuals or entities is not permitted. Neither Morningstar Inc., Sustainalytics, nor their content providers accept any liability for the use of the information, for actions of third parties in respect to the information, nor are responsible for any trading decisions, damages or other losses related to the information or its use. The use of the data is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

¹⁵ Climate Watch Historical GHG Emissions. 2026. Washington, DC: World Resources Institute. Available online at: <https://www.climatewatchdata.org/ghg-emissions>

¹⁶ Greenhouse Gas Footprints (GHGFP) 2025 edition: Emissions embodied in bilateral trade. Available at <https://data-explorer.oecd.org>

¹⁷ GDP, PPP (current international \$). International Comparison Program, World Bank | World Development Indicators database, World Bank | Eurostat-OECD PPP Programme. Available at <https://data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD>

5.2.4 Data availability

Metrics have been calculated using the latest available data applicable to the reporting period. In some cases, the latest available data may be aligned to a period other than the reporting period, for example, an investee company's financial year end. If some data points used in the calculation of a metric are available for the reporting period and others are available for a different period, no adjustment is made in the calculation to reflect this misalignment.

For sovereign emissions, the gap between the latest available data and the reporting period can be material. For the sovereign emissions presented in this year's report for 2024 and 2025, the underlying emissions data used to calculate Scope 1 emissions is 2023 data, and for Scopes 2 and 3 emissions it is 2022 data. PPP adjusted GDP is 2024 data. As noted above, no adjustment is made in the calculation to reflect this misalignment.

For listed Fund of Fund and Exchange Traded Fund structures, no look-through to underlying securities was performed due to difficulties in systematically sourcing this information.

MAM may restate emissions for this reporting period in future years should updated information become available due to improvements in data provision, models and methodologies.

5.3 Targets

While the Firms have not set their own decarbonisation strategy or any climate-related targets, they seek to support MAM's Decarbonisation Strategy, as described in Section 3. This reflects the Firms' role in supporting client-mandated objectives rather than setting entity-level decarbonisation targets.

MAM recognises that the transition to a low-carbon economy is an evolving area and is unlikely to be linear. MAM regularly reviews its Decarbonisation Strategy and climate-related targets to ensure they remain appropriate for its business and take into account recent developments.

For further detail see the [Macquarie Group FY26 Sustainability Report](#) and [Our approach to decarbonisation](#).

Important information

The name "Macquarie" in this report refers to the Macquarie Group which comprises Macquarie Group Limited ABN 94 122 169 279 and its worldwide affiliates. Macquarie Group comprises two separate subgroups, a banking group and a non-banking group which includes Macquarie Asset Management ("MAM"), a full-service fund manager.

This report has been issued by Macquarie Infrastructure and Real Assets (Europe) Limited (MIRAEI) and Macquarie Investment Management Europe Limited (MIMEL). MIRAEI is registered in England and Wales (Company No. 03976881). The registered office for MIRAEI is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD, United Kingdom. MIRAEI is authorised and regulated by the Financial Conduct Authority (FCA Firm No.195652).

MIMEL is incorporated and registered as a private limited company in England and Wales (Company No. 09612439, Firm Reference No. 733534). The registered office for MIMEL is Ropemaker Place, 28 Ropemaker Street, London, EC2Y 9HD. MIMEL is authorised and regulated by the Financial Conduct Authority (FCA Firm No. 733534).

The Firms have prepared this document on the basis of sources believed to be reliable. The accuracy of such information (including all assumptions) has been relied upon by the Firms and has not been independently verified by the Firms. Except as required by law, Macquarie and its respective directors, officers, employees, agents and consultants make no representation or warranty as to the accuracy or completeness of the information contained in this document and take no responsibility under any circumstances (whether based in contract, tort, strict liability or otherwise) for any direct, indirect, consequential or other loss or damage suffered as a result of any omission, inadequacy, or inaccuracy in this document. Opinions expressed are subject to change without notice.

This report does not constitute an offer to sell or a solicitation of an offer to subscribe or purchase or a recommendation of any securities. This document does not contain all the information necessary to fully evaluate the potential of an investment in any fund or other investment vehicle and does not take into account the investment objectives or financial circumstances of the recipient and, as such, no reliance should be placed on its contents. No person is authorised to give any information or to make any representation not contained in this document in connection with the matters described in this document, and, if given or made, such information or representation may not be relied upon as having been authorised.

Nothing in this document constitutes accounting, legal, regulatory, tax or other advice. Prospective investors should conduct their own independent investigation and assessment and should seek independent advice as to the validity of the information contained in this document, and the economic, financial, regulatory, legal, taxation, stamp duty and accounting implications of that information, including the merits of and any risks relating to any investment. All investments are subject to risk (including loss of capital) and past performance is not a reliable indicator of future performance.

Other than Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie Bank"), any Macquarie Group entity noted in this document is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these other Macquarie Group entities do not represent deposits or other liabilities of Macquarie Bank. Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these other Macquarie Group entities. In addition, if this document relates to an investment, (a) the investor is subject to investment risk including possible delays in repayment and loss of income and principal invested and (b) none of Macquarie Bank or any other Macquarie Group entity guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.