

**Alleron Investment Management Ltd (AIM)
&
Australian Eagle Asset Management Ltd (AEAM)**

Responsible Investment Policy

Last Update: 20/03/2023

As a Wholesale fund manager Alleron Investment Management and Australian Eagle Asset Management Pty Ltd (AEAM) recognizes that we need to act in the long term financial interest of our clients. In this context, AEAM believes that environmental, social, and corporate governance (ESG) issues can affect the performance of individual stocks within our investment portfolios (to varying degrees across companies, sectors, regions, and through time). AEAM therefore recognizes that the adherence to good management of ESG issues by the companies that AEAM invests in and by the broader universe of companies listed on the Australian market is a desirable outcome for AEAM’s clients and for investors in the market as a whole

It is therefore appropriate that AEAM more specifically identify and assess ESG risks and management’s response to those issues and risks through time into our investment processes. This is a desirable outcome for our clients and also a contribution to investors in the market as a whole.

In developing this policy AEAM has reviewed the United Nations Principles for Responsible Investment (UNPRI) Principles and adapted some of those principles in order to integrate the identification and evaluation of ESG into our specific bottom up fundamental investment process. However, it should be noted that AEAM is not a signatory to the UNPRI nor any other responsible investing body.

Where consistent with our fiduciary responsibilities, we commit to the following:

Table 1: AEAM Action Items with respect to Responsible Investment

Principles	Actions
<i>We will incorporate ESG issues into investment analysis and decision-making processes.</i>	<ul style="list-style-type: none"> ESG risks will not be used to screen out potential investments. Rather, ESG risk that we identify will be integrated into the existing bottom-up investment process to evaluate the marginal impact on our proprietary quality scores, valuation methods and “trigger” or change identification. Where an ESG factor changes the overall quality score or valuation



	<p>of an individual stock such that a portfolio adjustment is required, this will be actioned by the team. To this end, we will specifically:</p> <ul style="list-style-type: none"> • identify and evaluate relevant Environmental and Social issues at an industry level within the AEAM qualitative matrix; particularly within the ‘industry’ factor. • Identify and evaluate relevant Environmental and Social issues at a company specific level within the AEAM qualitative matrix; particularly within the ‘competitive advantage’, ‘management track record’ and ‘capital deployment’ factors. • The possible impact of positive or negative Governance issues will be noted within ‘management track record’ factor and/or the ‘growth driver’ section of the standard stock investment rating report and monitored on an ongoing basis. • Compilation of all ESG information recorded for each company analysed to assess materiality to the company’s business and to the investment case for the company. • Thematic and specific ESG factors will be discussed in Investment and Risk meetings where appropriate. • Staff assessment will include specific discussion with respect to the use of ESG factors within the investment process.
<p><i>We will be active owners and incorporate ESG issues into our ownership policies and practices.</i></p>	<p>AEAM will be an ‘active’ owner by:</p> <ul style="list-style-type: none"> • Exercising voting rights as per our Proxy Voting Policy and with regard to ESG factors we have identified as relevant from our bottom-up analysis where consistent with our fiduciary responsibility. • Engage with companies as a shareholder when AEAM believes it is appropriate, material and meaningful to raise a ‘relevant’ ESG issue.
<p><i>We will seek appropriate disclosure on ESG issues by the</i></p>	<ul style="list-style-type: none"> • Where appropriate, support shareholder resolutions promoting relevant ESG disclosure.



Australian Eagle

Asset Management

<p><i>entities in which we invest.</i></p>	<ul style="list-style-type: none">• Where appropriate AEAM will encourage standardized disclosure of relevant ESG issues.• The analysts will encourage disclosure of any identified ESG issues in available forums such as company briefings, or other corporate interactions for which they are in attendance.• Brokers will be encouraged in relation to the identification and quantification of ESG issues in relation to the companies being researched.
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