COOLABAH CAPITAL INVESTMENTS™
THE INTELLECTUAL EDGE: MAKING EVERY BASIS POINT COUNT

Environmental, Social, Governance and Stewardship

Policy Date: December 2025

This policy applies to all global entities of Coolabah Capital Investments Pty Ltd (referred to as "**investment manager**").

1. Introduction

The investment manager is committed to analysing environmental, social and governance (**ESG**) factors in its investment process, with ESG factors providing potentially notable consequences on the value of invested assets. As a signatory of the UN-endorsed Principles for Responsible Investment (**PRI**), it endorses the PRI's six Principles:

- **Principle 1**: We will incorporate ESG issues into investment analysis and decision-making processes.
- **Principle 2**: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle 3**: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle 4**: We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle 5**: We will work together to enhance our effectiveness in implementing the Principles.
- **Principle 6**: We will each report on our activities and progress towards implementing the Principles.

The investment manager's ESG and Stewardship Policy seeks to outline the approach it takes in proactively considering ESG factors in assessing current or potential investees or securities (**investments**) to achieve its overarching objective of enhanced investment outcomes over the long term. It also outlines the forms and methods of its stewardship activities that may be undertaken with investees and other stakeholders. The investment manager's ESG activities are a mix of bottom-up (i.e. conducted at the issuer and/or security level) and top-down macro analysis and monitoring. A bottom-up approach provides the investment manager with maximum granularity and gives comfort that ESG risk exposures are well managed. Top-down macro ESG analysis ensures that system-level ESG factors, such as changes in government policies or regulations, are well understood and incorporated into investment decisions.

The investment manager views stewardship as the use of influence by exercising rights and responsibilities of asset ownership, either through its voting practices or through direct engagement with investees and other stakeholders. Stewardship aims to maximise the long-term value of assets on clients' behalf which may include creating change in line with the investment manager's ESG priorities.

Active engagement with management teams, ESG rating agencies, credit rating agencies, peers, regulators, politicians and other stakeholders is important to the investment manager's investment process. The investment manager's belief is that, as an investor, it can encourage investees to improve their behaviour around material ESG issues. The investment manager recognises the importance of communicating and reporting its engagement activities and results to stakeholders.

The investment manager is committed, at all times, to avoiding the misrepresentation of ESG and stewardship activities. The investment manager commits to ensuring that all public documentation, including product disclosure statements, adequately reflects the investment manager's current practices and complies with applicable regulatory requirements and guidelines (e.g., Australian Securities and Investments Commission (ASIC) Information Sheet 271).

2. Integration of ESG and Stewardship Issues into the Investment Process

The investment manager's investment due diligence process involves performing qualitative and quantitative analysis of investments within its permissible universe under existing investment guidelines or mandates. As an activist investment manager, monitoring ESG risks of investments, and where possible identifying alpha-generating opportunities from ESG factors, forms part of the manager's investment due diligence and portfolio management process.

The investment manager's ESG activities broadly fit into three main categories: i) implementing ESG exclusion criteria, ii) integrating ESG factors within the investment research process, and iii) stewardship and engagement activities. These activities create value primarily by avoiding material downside risks but can also serve as a means to generate upside returns.

(i) ESG Exclusions

The investment manager maintains an exclusion policy on long, direct investment exposures originated by corporate, non-government entities. Refer to Appendix A – ESG Exclusions for details.

(ii) Integration of ESG Factors into Investment Research

The output of the integration of ESG Factors into investment research is the investment manager assigning an overall ESG rating of '*Poor*', '*Sound*' or *'Strong'*. To receive a Poor rating, the analysis will have identified that the issuer has significant exposure to ESG factors and that the associated risks are not adequately managed. ESG controversies may also lead to a Poor rating, depending on their materiality (assessed on a case-by-case basis). To receive a Strong rating, the analysis will have identified the issuer as having low exposure to ESG factors, with the associated risks managed very robustly. A Sound rating implies either that the issuer has little exposure to ESG factors, or that it has some exposure but the risks are managed adequately.

The investment manager typically holds positions in investments with 'Sound' or 'Strong' ESG ratings; however, it has the flexibility to buy, short-sell or hold positions in investments with a 'Poor' ESG rating in situations where it considers the ESG status to be improving and on a trajectory towards a 'Sound' or 'Strong' rating.

The investment manager's ESG research is informed by consideration of the following factors:

- Environmental: weather-related risks; climate transition risk; pollution and environmental disruption.
- Social: political stability in countries of operation; labour, human rights and modern slavery; customer privacy and cybersecurity; workplace health and safety; diversity, equity and inclusion.

- Governance: board composition and capability; management remuneration, internal and external audit; distribution of equity; recent litigations, regulatory actions, and prosecutions.

Climate Change

The investment manager highlights climate change as a pertinent ESG factor with cross-cutting, top-down impacts on investments.

Climate change is an ESG factor that is integrated into the investment manager's investment process as described above. Indeed, the investment manager has an exclusion policy not to take direct, long positions in corporate entities that derive more than 10% of their revenues from fossil fuel extraction (see Appendix A for full details). For investments that pass this exclusion but still have significant exposure to climate risk, the investment manager integrates these considerations into ESG research.

Human rights abuse and modern slavery

Human rights abuse and modern slavery collectively are another ESG factor that has cross-cutting impacts on investments.

The management of the investment risks associated with human rights abuse and modern slavery is governed by the investment manager's Modern Slavery Policy.

(iii) Stewardship

The investment manager may conduct stewardship activities at any stage of its investment process when an issue or practice that causes concern is identified. As stewardship outcomes also depend on the processes and timelines of external stakeholders, there is no fixed timeframe for such engagement activities. The path and duration of engagement differ depending on the severity of the issue, management or stakeholder responses, and how information is assimilated and factored into the overall investment decision.

A common feature of the investment manager's stewardship practices is the documentation of outcomes following dialogue and engagement activities. Outcomes achieved through stewardship activities may be publicly disclosed on the investment manager's website, in the media, or in investor presentations, where possible, for transparency and accountability.

The investment considers its stewardship activities to be split by ESG engagements and activism campaigns.

ESG Engagements

The investment manager may engage with investee issuers' investor relations representatives, ESG specialists, or relevant department heads to gain a better understanding of their ESG risks and opportunities, as well as any ESG-related deficiencies the investment manager has identified. Engagements are documented within the ESG sections of the investment manager's credit reports and can inform the investment manager's ESG rating of 'Poor', 'Sound' or 'Strong'. Priority topics for ESG engagements are predominantly determined on an individual issuer basis.

Activism Campaigns

The investment manager may carry out stewardship activism campaigns with other, non-investee stakeholders, such as ESG rating agencies, regulators, politicians and journalists. The purpose of this is to create positive system change that will maximise the long-term value of client assets. Activism campaigns can inform broader investment decisions, such as sector allocation, and, where relevant, issuer-level decisions. These campaigns may be supported by internal, proprietary empirical evidence and/or academic research.

3. Proxy Voting Policies and Procedures

Where the investment manager has voting authority over investments, the general policy is to vote for proxy proposals, amendments, consents or resolutions relating to investments, including interests in the Funds, if any (collectively, '**proxies**'), in a manner that serves the best interests of the investment manager's clients, as determined by the investment manager in its discretion, and taking into account relevant factors, including, but not limited to:

- The impact on the value of the investments;
- The anticipated costs and benefits associated with the proposal;
- The effect on liquidity; and
- Customary industry and business practices.

The investment manager will generally vote against any proposals that place arbitrary restrictions on the investee's ability to invest, market, enter into contractual arrangements or conduct other activities.

With respect to the actual voting of all proxies in a timely manner, the investment manager's Risk & Compliance department, under the oversight of the Chief Risk Officer, will take advice (as may be required) from the investment manager's Credit Research Team (and/or other relevant departments) to ensure that the objectives are secured.

4. The Investment Manager's Governance of ESG Activities

The investment manager's ESG approach is integrated into its investment process through its foundational due diligence on new credits, its ongoing monitoring of current and potential investees, and its stewardship and engagement activities. The investment manager's Credit Research Team performs these duties and is supported by the Data Science Team and the Portfolio Management Team. A critical component of this governance framework is that the Credit Research Team has full negative veto power over any investment. The exercise of this veto power may be informed, in whole or in part, by the Credit Research Team's consideration of ESG factors during the investment due diligence process.

Stewardship activities with issuers are primarily undertaken by the Credit Research Team, while activism campaigns are primarily led by the investment manager's Chief Investment Officer, with support from the Chief Macro Strategist and the Credit Research Team.

Further oversight of ESG activities is provided by the investment manager's Risk and Compliance Committees. The Chief Risk Officer reports directly to the Chief Investment Officer and has responsibilities to the Risk and Compliance Committees and the Board of Directors.

5. ESG Communication Controls and Risk Management

(i) Activist Communication

Since its inception, the investment manager's approach to its ESG activism has been repeatedly vindicated with typically favourable outcomes and results for its investors and portfolios.

The investment manager's ESG communication typically comes from its Chief Investment Officer and Credit Research Team. The investment manager uses various modes of communication with audiences to maximise investment returns and serve the best interests of the investment manager's clients. ESG communication modes may include private discussions with external stakeholders, newspaper articles, LinkedIn, Bloomberg, newswire, email, investor reports, investor articles and other marketing material.

(ii) Activist Communication Controls (General Counsel Vetting and Legal Review)

The investment manager utilises risk management and internal controls to manage any adverse reputational risks, legal risks, or other consequences associated with its activist ESG communication. This involves the investment manager's General Counsel reviewing, vetting, commenting, and opining on communication deemed by the Chief Investment Officer to be sensitive, prior to broadcasting and disseminating such ESG communication.

Additionally, where applicable, the Chief Investment Officer may also seek external legal advice prior to broadcasting and disseminating such sensitive ESG communication including using its panel of law firms and/or the legal department of applicable Responsible Entities of its funds.

Supplementing these internal or external legal vetting and review controls is discussing sensitive ESG communications with relevant internal boards and committees, where applicable, prior to broadcasting and disseminating such ESG communication.

6. Reporting

To the extent practical, the investment manager discloses qualitative and quantitative ESG-related data to its investors through regular or ad hoc fund reports and other channels of investor communication, such as marketing materials and presentations. Additionally, as previously stated, outcomes from the investment manager's engagement and activism practices may also be disclosed to investors in the same manner, and also to the public through media and social media outlets.

7. Operating Business – ESG Credentials

The investment manager seeks to maintain and continuously improve its ESG credentials with respect to business operations. Please refer to the following policies for further details:

- Diversity and Inclusions Policy
- Modern Slavery Policy

A. Appendix - ESG Exclusions

The investment manager maintains an exclusion policy on direct, long exposure to investments originated by corporate entities.

For the avoidance of doubt, the investment manager determines the following definitions:

- Direct investments: investments in individual securities whereby the investment manager has full control over investment exposure. Investments in indices and/or other types of baskets of securities are **not** considered direct investments.
- Long exposures: investment exposures whereby the value of the investment manager's assets will appreciate if the underlying investment appreciates. The exclusion policy does **not** apply to short positions (including those undertaken via repurchase agreements), whereby the investment manager's assets will appreciate if the underlying investment depreciates, including the covering purchase of the investment.
- Corporate entities: entities that are not considered by the investment manager as supranational, sovereign, semi-sovereign, a sovereign agency body, or statutory corporations.

The below table details the attributes and application of the investment manager's ESG exclusions.

Summary	Threshold
Non-democratic states The investment manager excludes long direct exposure to corporate entities with material exposure to and/or operations in non-democratic states. For portfolios managed with reference to a market benchmark, long, direct exposures to corporate issuers that do not pass this exclusion are permitted up to the relevant benchmark exposure, but not more. Should such exposures exceed its benchmark limit, the investment manager will reduce exposure to the benchmark limit in a reasonable timeframe.	Material exposure and/or operations is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 35 per cent of revenue** from states the investment manager deems to be non-democratic. The investment manager defines non-democratic states as those that are not recognised as open democracies, where there are concerns regarding the state's rule of law, property and contract rights. The investment manager maintains full discretion in determining non-democratic states. External research, such as the Economist Intelligence Unit Democracy Index, can inform the investment manager's determination; however, to defer in full to such indices is unfavourable in order to maintain a stable investment universe.
Tobacco The investment manager excludes long direct exposure to corporate entities with material	Material exposure and/or operations is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 10 per cent of revenue** from tobacco growing and production.

exposure to and/or operations in tobacco growing and production.	The investment manager defines tobacco growing as the agricultural process of cultivating tobacco plants for the production of tobacco leaves. The investment manager defines tobacco production as the post-harvest curing, fermentation aging, processing, and manufacturing of tobacco leaves. The distribution of tobacco is not considered as tobacco production.
Nuclear weapons The investment manager excludes long direct exposure to corporate entities with material exposure to and/or operations in nuclear weapons manufacturing.	Material exposure and/or operations is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 10 per cent of revenue** from nuclear weapons manufacturing. The investment manager defines nuclear weapons manufacturing as the process of designing, producing, and assembling nuclear weapons including: • Acquisition of fissile materials. • Warhead design. • Weapon assembly. • Non-nuclear components, including arming and fusing mechanisms, guidance systems, and casings. • Testing and validation. • Weapon delivery systems, including intercontinental ballistic missiles (ICBMs), submarines (SLBMs), or bombers.
Fossil fuel extraction The investment manager excludes long direct exposure to corporate entities with material exposure to and/or operations in fossil fuel extraction.	Material exposure is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 10 per cent of revenue** from fossil fuel extraction. The investment manager defines fossil fuel extraction as the process of extracting and bringing to the surface coal, oil, and natural gas. This does not include the refinement, processing and transportation of fossil fuels.
Gambling The investment manager excludes long direct exposure to corporate entities with material exposure to and/or operations in gambling facilities or establishments.	Material exposure and/or operations is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 10 per cent of revenue** from gambling facilities or establishments. The investment manager defines gambling facilities or establishments as venues, either physical or internet-based, where individuals can engage in gambling activities, such as betting on games of chance or skill with the expectation of winning money or prizes.
Adult Industry The investment manager excludes long direct exposure to corporate entities with material exposure to and/or	Material exposure and/or operations is defined as the entity, as detailed in their last annual report, deriving **greater than or equal to 10 per cent of revenue** from the adult industry. The investment manager defines the adult industry to be comprised of entities that produce and distribute products and

operations in the adult industry.	services related to adult entertainment, primarily focused on sexual content or activities intended for a mature audience.