

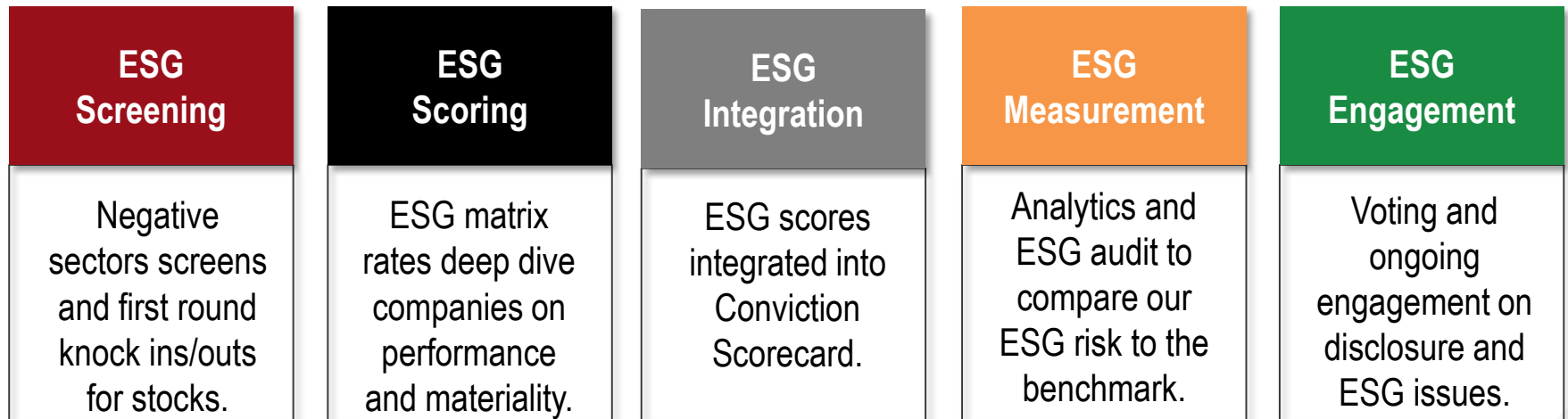


ELLERSTON ASIA

Ellerston Asia Growth Fund Our Approach to ESG

A STRUCTURED, ENGAGED AND MEASURED APPROACH

- Ellerston Asia has developed a proprietary, structured and measurable approach to ESG which is embedded in the investment process. Our multi-step approach to ESG is shown below.
- We believe that ESG in Asia is generally not as bad as perceived, and ESG in Developed Markets, including Australia, is generally not as good as perceived. The gap is smaller than investors think.
- Ellerston Asia is a new economy centric portfolio. The ESG issues we face are therefore different than those facing a typical domestic or Developed Market portfolio.
- We have a DIY approach to ESG given our time on the ground and Asian language capabilities. We use third party ESG providers for initial screens and ESG risk measurement across portfolios and markets.*



* We use Bloomberg for initial ESG screens, Sustainalytics for ESG measurement and ISS for voting recommendations. All other steps are proprietary to Ellerston Asia and Ellerston Capital.

ESG Screening

NEGATIVE SECTOR SCREENS

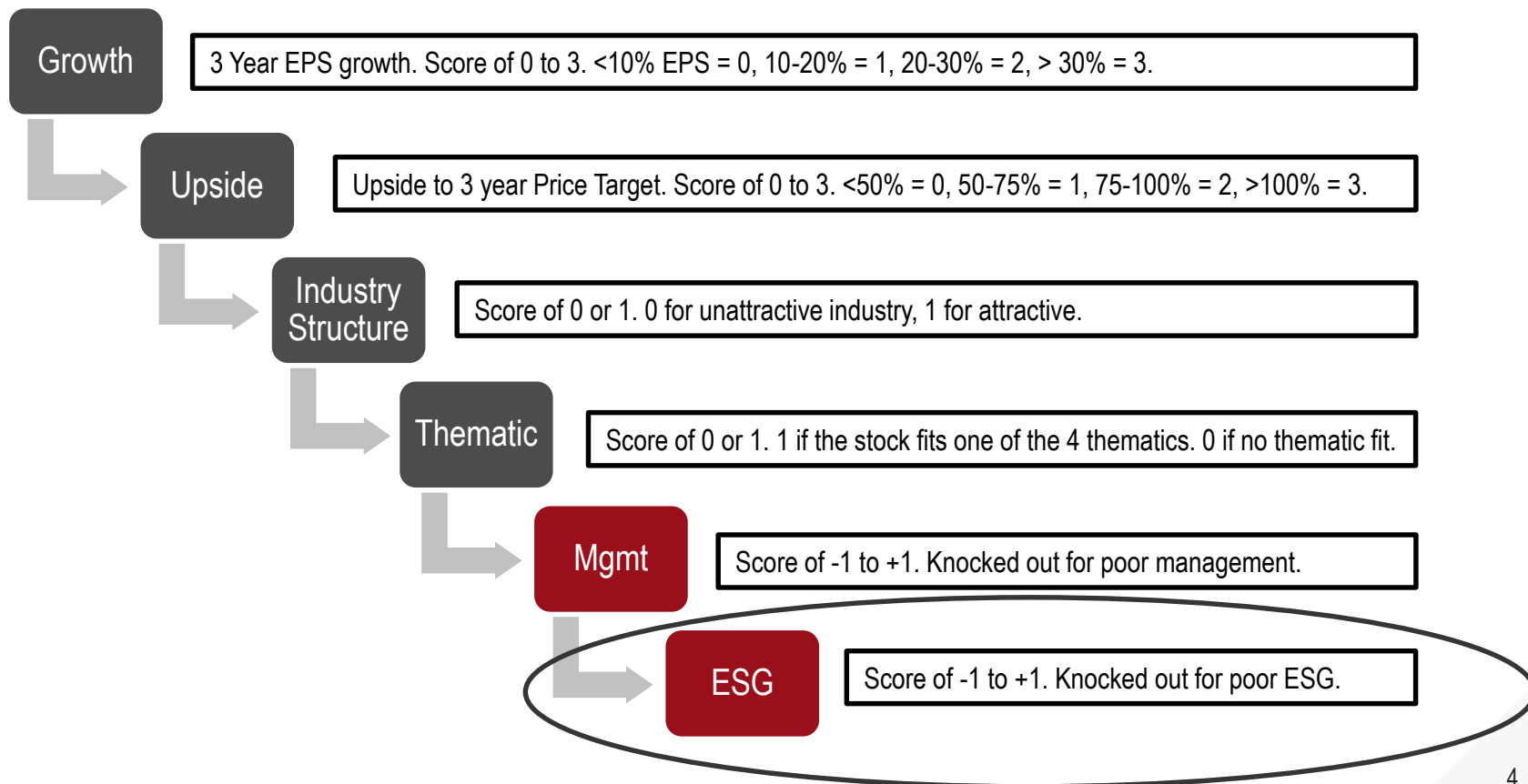
- The Ellerston Asia Growth Fund has negative screens in place for the sectors listed below.
- A 0% revenue threshold is used for significant harm sectors and a 5% revenue threshold is used for the other negatively screened sectors.

Sector	Revenue Threshold
Tobacco Production	0%
Armaments & Weapons	0%
Tobacco Distribution	5%
Coal	5%
Gambling	5%
Palm Oil Production	5%
Nuclear Energy	5%
Pornography	5%

ESG Integration

ESG SCORE IS INTEGRATED INTO INVESTMENT PROCESS

- Our Conviction Scorecard is a series of quantitative filters, qualitative assessments and knock outs. Stocks must have a score of 5 or greater to be considered for the portfolio.
- Stocks with a score of -1 on ESG are “knocked out” of the process and are not eligible for portfolio inclusion even if they have a score of 5 or greater on the other metrics.

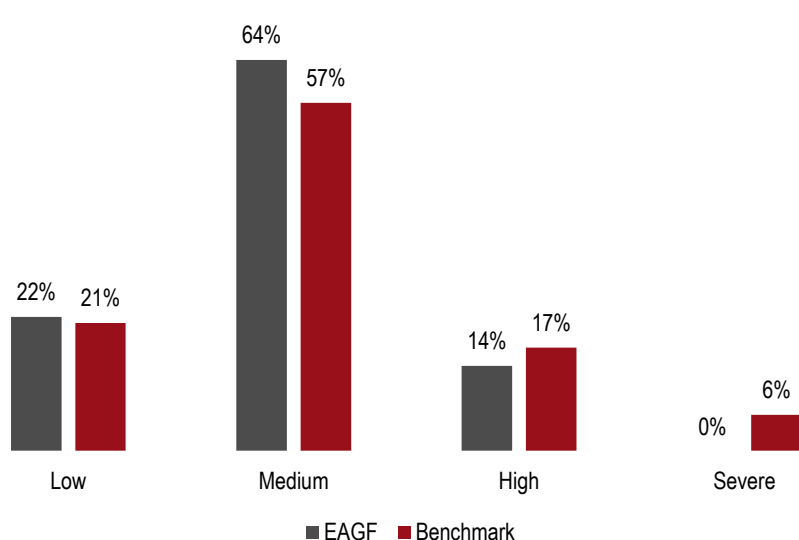


ESG Measurement

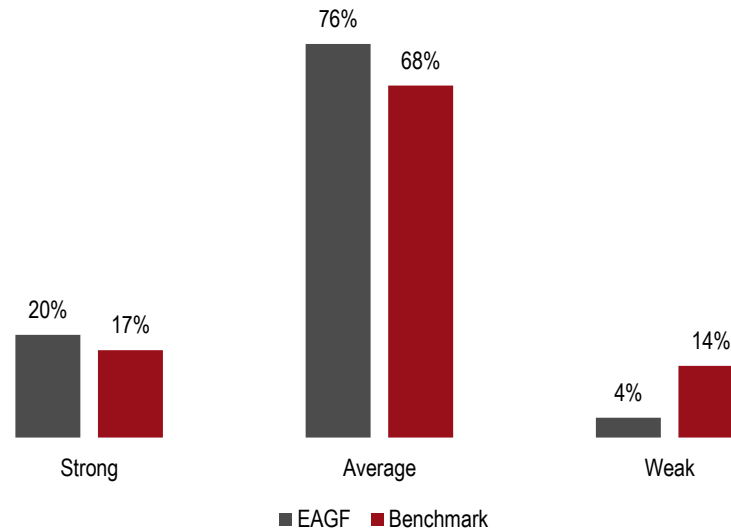
PORTFOLIO ESG RISK VS BENCHMARK

- ESG Measurement using Sustainalytics data shows that our ESG process is effective in reducing ESG risks.
- The prevalence of Severe ESG Risk in the Ellerston Asia Growth Fund is zero versus the benchmark at 6%.
- The prevalence of companies with weak management of ESG issues is lower than the benchmark, and the prevalence of companies with strong management of ESG issues is higher than the benchmark.
- There are no companies in the Ellerston Asia portfolio with a Sustainalytics Category 5 ESG risk event.

Overall ESG Risk Rating EAGF vs MSCI Asia Ex Japan



ESG Risk Management EAGF vs MSCI Asia Ex Japan



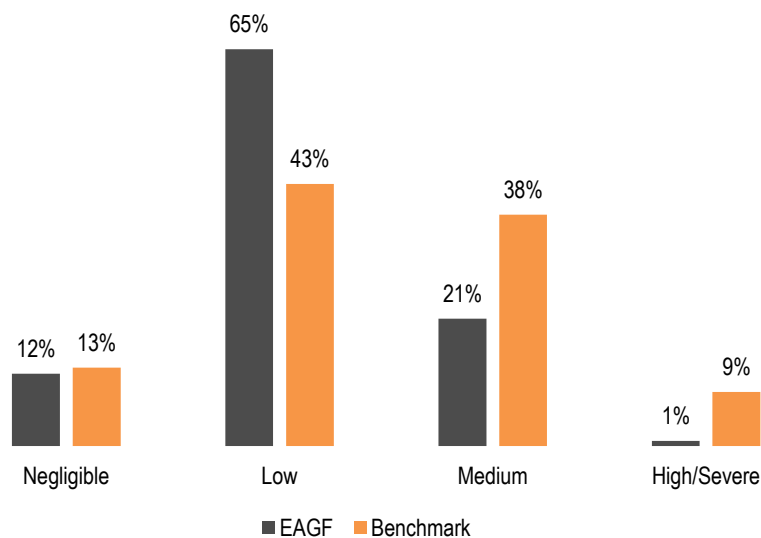
Portfolio as of July 30, 2020. 30 out of 32 (98%) stocks in the portfolio are rated by Sustainalytics. 1,131 stocks out of 1,338 stocks in the benchmark (96%) are rated by Sustainalytics. The unrated stocks are primarily A shares.

ESG Measurement

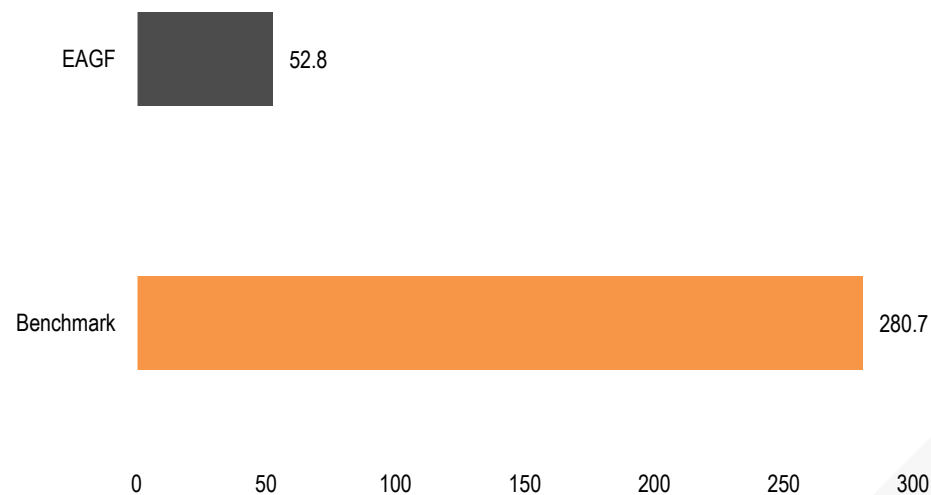
PORTFOLIO CARBON RISK VS BENCHMARK

- Measurement using Sustainalytics data shows that our ESG process is effective in reducing carbon risk in the portfolio.
- The prevalence of High/Severe Carbon Risk in the Ellerston Asia Growth Fund is lower than in the benchmark.
- The carbon intensity of the portfolio is significantly lower than the benchmark.
- The portfolio has 82% less exposure to Fossil Fuels than the benchmark and 0% stranded assets.
- The portfolio has 13% stronger management of carbon risk than the benchmark.

Overall Carbon Risk Rating EAGF vs MSCI Asia Ex Japan



Carbon Intensity (tCO2e/Mil USD) EAGF vs MSCI Asia Ex Japan



Portfolio as of July 30, 2020. 30 out of 32 stocks (98%) in the portfolio are rated by Sustainalytics. 998 stocks out of 1,338 stocks in the benchmark (94%) are rated by Sustainalytics. The unrated stocks are primarily A shares.

ESG Measurement

ANNUAL PORTFOLIO ESG AUDIT

- Given the new economy nature of our portfolio, the ESG issues we face are often different than those in a typical Australian or Developed Markets portfolio.
- We aim to provide thought leadership in identifying and opining on the ESG issues for a new economy focused portfolio in Emerging Markets.
- The main ESG issues facing our portfolio companies as of the July 2020 audit are shown below:

Governance	Social	Environmental
Boards lacking in independence Boards lacking in diversity Founders still majority shareholders Chairman/CEO roles not separate Weighted Voting Rights ADR voting rights and structure (VIE)	Modern slavery in the tech supply chain Data and privacy for big data, cloud computing and internet companies Ethical considerations and potential gender bias in AI Online gaming addiction Discriminatory marketing and labelling by consumer companies Mis-selling of financial products	Reliance Industries spin off of Energy and Petrochemicals business Use of renewables to power cloud computing Carbon footprint of vertically integrated e-commerce and logistics companies Paper and packaging waste for consumer companies

ESG Engagement

VOTING AND ENGAGEMENT FOR A NEW ECONOMY ASIAN PORTFOLIO

- Ellerston Asia has had over 1,000 company/expert contact points since inception providing opportunity for engagement on ESG issues.
- Since inception, the Ellerston Asia Growth Fund has voted on approximately 900 resolutions.
- In 2019 alone we voted on approximately 335 resolutions (4 Against, 17 Abstain, 313 For).
- Consistent with the 4 thematics in our investment process, we have 4 ESG sector thematics which guide our engagement at company meetings.
- Lack of disclosure is a significant issue for ESG analysis in Asia and encouraging companies to improve the quality, quantity and frequency of ESG disclosure underpins all our ESG engagement efforts.

Key ESG Sector Thematics

Climate Change



Structural Reform and Governance Reform



Social Implications of Technological Disruption



Modern Slavery and Supply Chains



Improved ESG Disclosure

ESG Engagement

BUILDING LONG TERM RELATIONSHIPS WITH COMPANIES AND MANAGEMENT TEAMS

- Last year we did 9 overseas research trips with over 300 company contact points.
- Eric Fong visited China in January 2020 prior to the outbreak of COVID.
- Since then, COVID has obviously restricted our ability to be on the ground but our level of company engagement has actually increased in 2020.
- CYTD the team has had 359 company contact points - roughly double our normal run rate.
- This level of company contact gives us a consistent platform to discuss ESG issues.

Date	Calls/VC/Zoom
HK/China	195
India	114
North Asia	44
ASEAN & Other	6
Total	359



* As of July 25, 2020.

Our Own ESG

WALKING THE TALK

- Ellerston Capital is a signatory to the Principles of Responsible Investment.
- Ellerston Capital is a signatory to Climate Action 100+.
- The Asia team is represented on the firm wide Ellerston Capital ESG Committee.
- Our team's international travel is carbon neutral. For 2019 travel, we purchase offsets via the Carbon Neutral Charitable Fund.
- Our team is highly diverse.

