

Carbon Offsetting Initiative

Operational Carbon Positivity at Mondrian

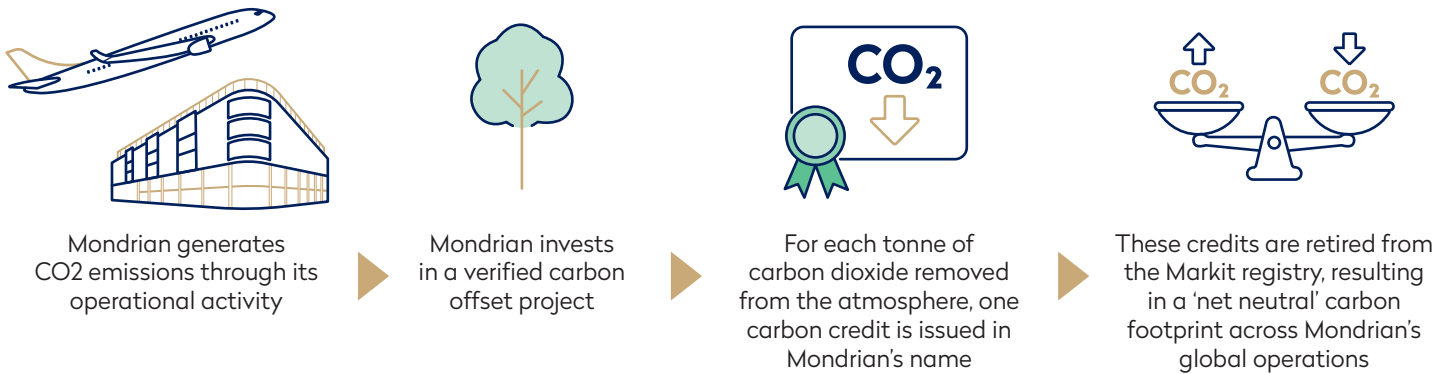
As a value investor with a long-term investment horizon, Mondrian's forward-looking methodology is also applied internally within our organization to include a long-term plan for operational climate change mitigation.

In 2020, Mondrian partnered with independent third parties to conduct a formal carbon audit, offset and certification process. Mondrian offset 100% of emissions generated across global operations for 2018 and 2019 and as of February 2021, was certified carbon neutral for those years. To further our corporate sustainability practices, we are offsetting 200% of emissions generated in 2020.

In our plan we commit to reducing our operational emissions and will be offsetting 200% of emissions generated across our global operations for 2020 and beyond.

What is Carbon Offsetting?

Carbon offsetting is the process of compensating for carbon dioxide emissions arising from industrial or other human activity, by participating in schemes designed to make equivalent reductions of carbon dioxide in the atmosphere.



Carbon Offsetting: How do we do it?

STEP ONE

For 2018 -2020, an independent environmental auditor measured our Scope 1, Scope 2 and Scope 3 carbon emissions, including business travel, water and waste, according to the GHG Protocol and ISO-14064 standards. To take responsibility for the wider effects of aviation and fossil fuel consumption, we use an expanded calculation methodology which incorporates an Aviation Impact Factor of 1.9 and includes Well-To-Tank emissions.

STEP TWO

We partner with an international not-for-profit organization to finance the planting of 27,081 trees¹, which sequester carbon dioxide emissions from the atmosphere. The project works with farmers in Nicaragua to reforest their under-utilized land and build forest enterprises, to achieve the offsetting we require and also which help to provide financial security throughout the year for these farmers.

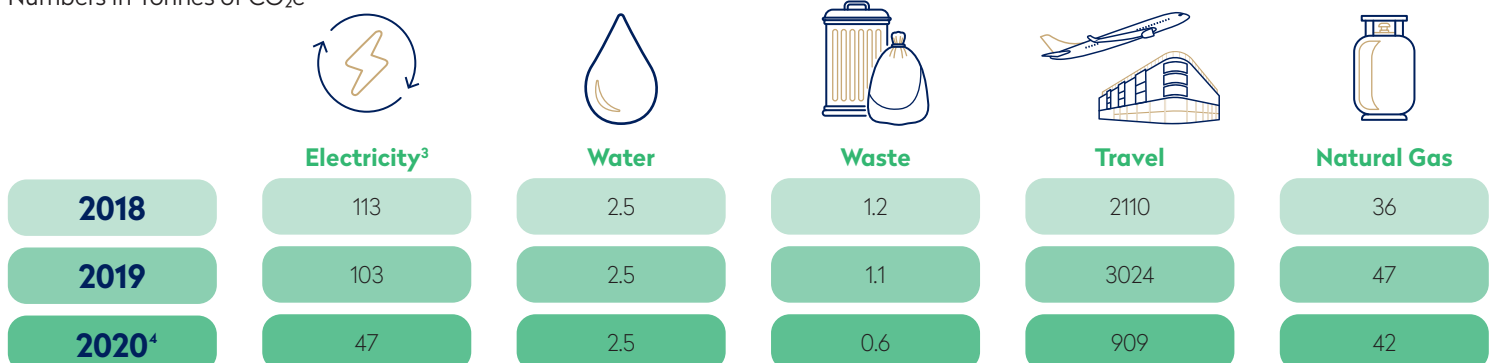
STEP THREE

We partner with a UK environmental charity to oversee the credit purchase and retirement process and to independently certify our operational carbon neutrality and positivity.

¹Offsetting impact data source: Taking Root

Mondrian's Carbon Footprint Contributors²

Numbers in Tonnes of CO₂e



²Carbon footprint contributors data source: Mondrian, RSK

³As of late 2019, Mondrian's London office switched to renewable energy sources to power our electricity consumption.

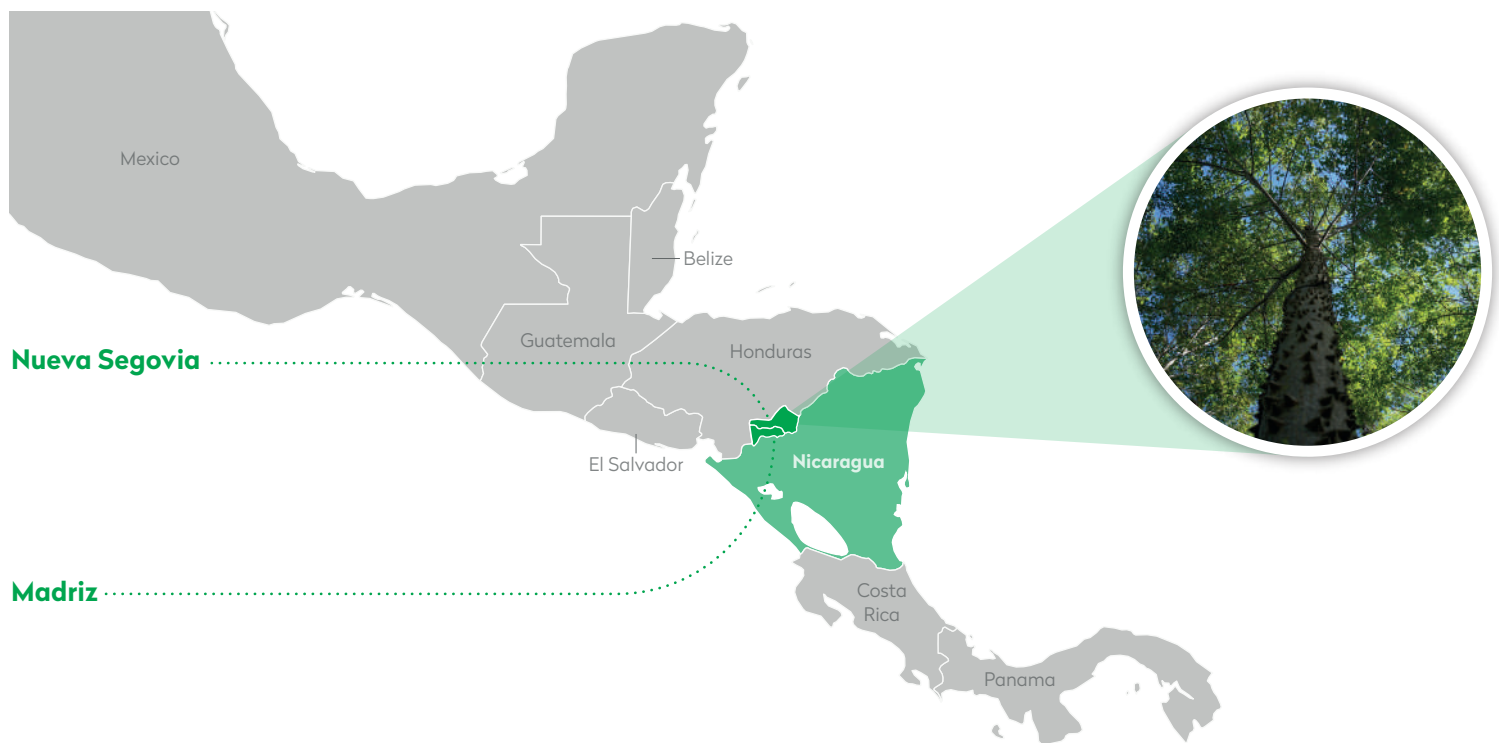
⁴Overall 2020 emissions were affected by the COVID pandemic.

The Mondrian Impact: 2018-2020⁵



Mondrian partnered with a group of 8 smallholder farmers in the Madriz and Nueva Segovia Departments of Nicaragua to plant 27,081 trees across 30.1 hectares of land (74.4 acres). Over their lifetime, these trees will sequester 7,623 tonnes of CO₂.

⁵Offsetting impact data source: Taking Root



Emissions Reduction Plans

Our current London office switched to renewable energy sources to power our electricity consumption in October 2019, and has recently implemented a new recycling and waste management system. This significantly reduced the carbon footprint of our office compared to previous years. We note that the COVID pandemic affected the overall emissions generated in 2020.

We are planning to move our London headquarters to a new location in early 2022 which has been certified Building Research Establishment Environmental Assessment Method ("BREEAM") Outstanding, the highest sustainability standard for new non-domestic buildings in the UK. Sustainability is a high-priority for our new location.

The most significant element of Mondrian's operational carbon footprint results from business-related air travel. This is primarily comprised of two elements: (a) travel related to investment research and (b) travel to meet and report in person to asset owners and their consultants. As part of our fundamental investment research process, we carry out due diligence on the companies we invest in on behalf of clients to help further our understanding of the company, interact with company management on ESG issues and assess risks to help both protect client interests and meet the performance goals set for us. Many of our clients also have servicing requirements to meet with investment committees and trustees in person. Both of these elements are integral to Mondrian's contractual service obligations to its clients. When travel restrictions from the global pandemic recede, our international travel to meet clients and investment research obligations will increase. We will look to further reduce our carbon footprint through increased video conferencing and more efficient travel planning, but where travel is necessary to meet our obligations, we are committed to offsetting these emissions. We will also work with clients on customizing servicing requirements that can help reduce our air travel.

Where emissions are unavoidable, we look to offset emissions generated from our operations. From and including 2020 onwards, Mondrian will offset 200% of our carbon footprint annually.

These efforts reflect our commitment to reducing and offsetting our operational carbon footprint.