



PUBLIC TRANSPARENCY REPORT

2023

Pendal

Generated 15-12-2023

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

On 23 January 2023, Pandal Group was acquired by Perpetual Limited. The transaction combines two of Australia's oldest and most respected active asset management businesses, and creates a leading global multi boutique asset manager with significant scale, diversified investment strategies, stronger global distribution capability and world-class ESG capabilities. As a result, the Perpetual Group now encompasses a number of individual distinct PRI investor signatories (including Pandal Australia, J O Hambro, Perpetual, Trillium), offering a diverse range of ESG strategies and products to our clients.

This PRI assessment relates to the Pandal Australia asset management business.

Within Pandal Australia, we believe we are stewards of our clients' capital and believe that we have a role and responsibility to deliver sustainable returns for them, as well as influence sustainability practices more broadly.

We do this as part of our fiduciary duty to clients, but also in recognition of our position as one of the largest allocators of capital in the Australian ecosystem. This means we need to influence positive change by taking a constructive and forward-looking approach to supporting companies improve their ESG credentials.

While allowing for autonomy under our multi-boutique model, Pandal Australia has a Responsible Investment Philosophy and Approach document to provide overarching guidance on RI to our four investment boutiques: Australian Equities, Global Equities, Multi-Asset Strategies and Income & Fixed Interest (IFI).

Each boutique continues to evolve its own approach to RI, integrating ESG considerations into their investment process and stewardship practices as they see most relevant to their respective strategies and asset classes. In other words, we don't have a single way of investing responsibly at Pandal, although our Investment Director does bring a common thread across the firm by supporting all boutiques and helping to define quality.

We undertake RI because we subscribe to three core RI-related beliefs:

- Attention to ESG factors contributes to better informed investment decisions and can improve the quality and consistency of long-term value creation.

As an active investment manager, we are well positioned to identify a full range of risks faced by the entities in which we invest, including ESG risks (and opportunities). We provide investment solutions to our clients which help them manage investment risks and thus enhance returns, and where relevant, support additional client objectives such as around sustainability outcomes.

- Our actions and decisions can affect practices in the entities in which we invest, such as in the way a company manages its risks, or its impact upon the environment or the community. We have both a fiduciary duty and an interest in responsibly managing this influence.

- At Pandal, we strive to assist our clients to meet the financial and non-financial objectives they may have through performance-driven investment solutions including, where relevant, dedicated investment options aligned to their ethical, environmental or social priorities. In these strategies, we apply approaches beyond ESG integration and stewardship including exclusions, positive screening, best in class approaches and impact investing, and have a greater focus on sustainability outcomes within the investment process. We remain committed to expanding our ESG knowledge and expertise across the Perpetual Group. While we have achieved significant ESG milestones to date, we believe harnessing our now-considerable ESG capabilities across the business will present some opportunities for our clients to exercise their demand for products that align with their ESG expectations.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Highlights and progress for Pandal in the reporting year included:

We continued our engagements with investee companies, to manage risk, effect change and protect value over the long term. Pandal Australia conducted a total of 505 ESG engagements across the four investment boutiques, covering a range of topics with companies, government issuers, and arrangers.

In our efforts to offer enhanced client reporting and transparency on our responsible investment activities, we incorporated our Income & Fixed Interest and Global Equities boutiques into our Quarterly Stewardship reporting (previously our reporting was only focused on Australian Equities).

The quarterly reports summarise proxy voting activities from our investment teams, company and collaborative engagements, highlighting engagement themes (such as the number of engagements on climate or modern slavery) and case studies, where we recognised risks or opportunities in specific companies or sectors and chose to engage.

In the process of rolling out the Income & Fixed Interest Team's quarterly Stewardship reporting, the team enhanced how they track engagements, and specifically, what they want to achieve. A greater focus was placed on engagement to bring about new high quality impact bonds and reporting on impact. As relevant for the team's impact credit fund, enhancements were made to the investment process & impact framework.

The team formalised their 4 pillars "Assessment of Impact" process: Issuer Assessment, Bond Assessment, Five Dimensions of Impact Analysis, and Ongoing Monitoring. The Five Dimensions of Impact Analysis is a new process for assessing the impact of different bonds. Supported by Regnan, we reviewed the entire portfolio across the Five Dimensions of Impact, feeding the analysis into investment decisions & engagements. Undertaking this process provided clarity as to the goals of the fund. Greater disclosure of the underlying projects & improved transparency of disaggregated impact reporting and methodologies from issuers became a clear intention.

As part of the ongoing commitment to ESG integration, the Pandal Australian Equities boutique strengthened its position by refreshing their research tools and further enhancing their integration into the investment framework.

For example, a database has been developed reviewing ASX300 companies' sustainability strategies and targets across a range of criteria including reporting, emissions targets, natural resources (e.g. biodiversity), social & community, diversity, product and modern slavery.

Our investment teams continued their commitment to advocacy throughout the reporting period. Australian equities portfolio manager Rajinder Singh participated in a RIAA study exploring trends in best practice stewardship. The report includes stewardship developments and contexts.

It articulates a framework to demonstrate the variety of stewardship practices in this region and the final report is available on the RIAA website and can be found (https://responsibleinvestment.org/wp-content/uploads/2022/11/728RIAA_Stewardship-Report_FINAL.pdf). In 2023, ESG/Credit Analyst Murray Ackman joined a UNPRI collaborative sovereign engagement on climate change expansion as the lead. The Initiative seeks to assist Australian governments to take all possible steps to mitigate greenhouse gas emissions and build resilience toward climate change damage in line with the Paris Agreement and stabilising average global warming to 1.5°C. Pandal established a Net Zero Working Group early in 2022 to progress the development of its global strategy around climate working with an external consultant.

As part of this process, we formed a view that as an asset manager (as opposed to asset owner) our main contribution is to: Help our clients achieve their targets either through changes to existing strategies or the creation of new strategies that help to address climate change; continue to develop a corporate engagement strategy that aligns with Net Zero objectives; and measure and track key data points across all portfolios. Each one of these three points entails a significant investment in resources and a detailed understanding of the issues. Our approach is centred around how we can contribute to a more rapid reduction in carbon emissions in the real-world economy. We will continue to evolve our approach with our individual learnings, the needs of clients, advancements in the science and the improving availability of data.

In line with growing client expectations and industry standards, we reviewed the exclusionary screens across our Sustainable Series funds ensuring they continue to meet the needs of our clients. The output from this process was an enhanced governance framework for the monitoring of negative screens' compliance, and a tightening of the fossil fuel negative screens applied to some of our sustainable strategies.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

With the recent acquisition of the Pandal Group, Perpetual is now reviewing our considerable responsible investment capabilities across the Perpetual Group to consider our responsible investments priorities for the near future. The specific responsible investment commitments resulting from this work will be communicated externally in due course.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Amanda Gillespie

Position

Chief Executive Officer, Perpetual Asset Management Australia

Organisation's Name

Pandal

● A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

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ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	30	06	2023

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- ☐ (A) Yes
- ☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 24,059,460,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 2,683,760,000.00

Additional information on the exchange rate used: (Voluntary)

0.663000 AUD/USD as at 30 June 2023 - https://www.imf.org/external/np/fin/data/rms_mth.aspx?SelectDate=2023-06-30&reportType=REP

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>50-75%	>0-10%
(B) Fixed income	>10-50%	>0-10%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>10-50%	0%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

Other refers to cash & alternatives

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>75%	0%	0%	0%	0%
(B) Passive	0%	>50-75%	>10-50%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	>10-50%	>50-75%
(D) Fixed income - passive	>75%	0%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity 0%

(B) Active – quantitative 0%

(C) Active – fundamental >75%

(D) Other strategies 0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA >10-50%

(D) Active – corporate >50-75%

(E) Securitised 0%

(F) Private debt 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

>75%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(3) Fixed income - active	(4) Fixed income - passive	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

(1) Listed equity - active

(A) Yes, through internal staff	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active	(9) >70 to 80%
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STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.

Stewardship, excluding (proxy) voting

(D) Fixed income – passive

The only AUM Pendal has within the 'Fixed income - passive' category is the beta component of the Pendal Sustainable International Fixed Interest Fund (SIFI). SIFI's beta component is managed through a mandate with a third-party asset manager BlackRock. Pendal manages the active alpha overlay to the beta component in SIFI, in addition to activity-based negative screens monitoring, noting that the overall fund is an actively managed fund.

We can confirm that Pendal's Income & Fixed Interest team conduct engagements with global issuers as part of their engagement framework, and, as appropriate for the management of the active alpha overlay within SIFI where relevant.

While BlackRock may engage with issuers as part of their overall asset management approach, we cannot claim that they engage with issuers on Pendal's behalf for this passive mandate.

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Other refers to cash & alternatives	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(C) Other

Cash

ESG factors are included in analysis & investment decisions across our cash funds & client mandates.

We view ESG integration as a way of understanding risks & opportunities outside of traditional credit research. ESG risks can highlight potential future credit concerns.

We use ESG integration in our vanilla funds to better understand risks & opportunities, probability of credit downgrades as well as any variations on liquidity & pricing particularly in the secondary market.

ESG integration & engagement allows us to use our responsibility as active investors to influence the market by promoting sustainable issuers & nudging towards improved transparency:

ESG integration process includes:

- ESG Research, understanding ESG risks across issuers
- Engagement, using our influence to nudge issuers towards sustainable practices
- Pricing material ESG risks, ensure compensation for ESG risks
- Monitor & review, monitor changes to issuers & broader risks

We collaborate widely & leverage other areas of Pandal and our Regnan in-house ESG research team.

Our ESG integration process is iterative: monitoring progress & controversies feeds into our ESG research & directs our engagements.

Our ESG Integration guide can be found here: <https://www.pandalgroup.com/wp-content/uploads/2022/02/ESG-Integration-for-Income-and-Fixed-Interest-2022.pdf>

Alternatives

Pandal Australia has 2 alternative strategies: Pandal Multi-Asset Target Return Fund & the Pandal Risk Parity Fund.

Both have a tailored ESG approach:

Pandal Multi-Asset Target Return Fund (MATR)

The MATR ESG investment guidelines:

A 0% revenue materiality threshold is applied to the production of tobacco & the manufacture of controversial weapons.

Excludes investments in companies & issuers with 10% or more of their total revenue derived from:

Production of alcohol, Manufacture or provision of gaming facilities, Manufacture of non-controversial weapons or armaments, Manufacture or distribution of pornography, Direct mining of uranium for the purpose of weapons manufacturing, Extraction of thermal coal & oil sands production.

The fund is prohibited from investing in ETFs tied to fossil fuels.

Beyond this, the below ESG criteria are considered:

Equities

•ESG Criteria: Seek to bias exposure towards countries less susceptible to climate change & have higher corporate governance, & seek to avoid countries with high levels of corruption or poor human rights records.

For security selection, we utilize strategies with negative screening for areas of concern & to promote positive corporate governance via proxy voting &/or engagement

•Instruments used: Futures, total return swaps, managed funds

•Eg: Emerging markets exposure excludes China, Russia & Saudi Arabia on ESG concerns.

Bonds

•ESG Criteria: Will avoid investing in oppressive regimes & seek to support the transition to a low carbon economy.

•Instruments used: Futures, sovereign/semi-government green bonds, inflation-linked bonds

•Eg: T-corp green bond, French OAT (green bond)

Infrastructure

•ESG Criteria: Seek to invest in assets supporting the transition to a low carbon economy.

Invest indirectly in "energy solutions" e.g, battery storage technologies. Ensure other assets held are consistent with sustainability considerations.

•Instruments used: LICs

•Eg: Greencoat UK Wind PLC, Bluefield Solar Income Fund

Commodities

•ESG Criteria: Exclude assets inconsistent with the transition to a low carbon economy or assets that may be associated with animal welfare issues (i.e., fossil fuels & livestock are excluded). Look to use commodity futures for exposure to assets benefitting from the transition to a low carbon economy, assets that may complement factor biases from screened equities exposures & assets that may provide a partial hedge against extreme weather events

•Instruments Used: Futures

•Eg: Copper, corn & wheat futures

Pendal Risk Parity Fund

ESG is considered in the following manner:

-Derivates are used to “hedge out” unwanted indirect exposure to areas of concern such as alcohol, tobacco etc that arise from equity index futures as well as alternative risk premium swaps.

The exclusions list utilised for this is managed by Regnan using ISS data. As index, market, & hedging exposures will vary over time this is done on a “best efforts” basis.

-Markets where we have significant concerns around human rights/corruption are excluded from the Fund’s equity allocation.

-Fossil fuels & livestock futures are excluded from the commodity allocation.

Commodities invested in are generally critical metals required for a transition to a carbon free economy as well as providing support to these markets & facilitating risk sharing for producers. Agricultural commodities that are potentially positively correlated to energy prices (eg sugar beets) or could hedge future weather & geopolitical volatility (eg soy beans, wheat). Precious metals such as gold would also be expected to provide a hedge to macro ESG risks.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	>75%
(D) Screening and integration	>0-10%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	>0-10%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>10-50%
(C) A combination of screening approaches	>75%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA

(2) Fixed income - corporate

(A) Screening alone	0%	0%
(B) Thematic alone	0%	0%
(C) Integration alone	>75%	>75%
(D) Screening and integration	0%	>10-50%

(E) Thematic and integration	0%	0%
(F) Screening and thematic	0%	0%
(G) All three approaches combined	>10-50%	>0-10%
(H) None	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	0%	>50-75%
(C) A combination of screening approaches	>75%	>10-50%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

☒ **(A) Yes, we market products and/or funds as ESG and/or sustainable**

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>10-50%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

● **(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications**

Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>0-10%

- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

- ☐ (A) Commodity type label (e.g. BCI)
- ☐ (B) GRESB
- ☐ (C) Austrian Ecolabel (UZ49)
- ☐ (D) B Corporation
- ☐ (E) BREEAM
- ☐ (F) CBI Climate Bonds Standard
- ☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- ☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- ☐ (I) EU Ecolabel
- ☐ (J) EU Green Bond Standard
- ☐ (K) Febelfin label (Belgium)
- ☐ (L) Finansol
- ☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- ☐ (N) Greenfin label (France)
- ☐ (O) Grüner Pfandbrief
- ☐ (P) ICMA Green Bond Principles
- ☐ (Q) ICMA Social Bonds Principles
- ☐ (R) ICMA Sustainability Bonds Principles
- ☐ (S) ICMA Sustainability-linked Bonds Principles
- ☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
- ☐ (U) Le label ISR (French government SRI label)
- ☐ (V) Luxflag Climate Finance
- ☐ (W) Luxflag Environment
- ☐ (X) Luxflag ESG
- ☐ (Y) Luxflag Green Bond
- ☐ (Z) Luxflag Microfinance
- ☐ (AA) Luxflag Sustainable Insurance Products

- ☐ (AB) National stewardship code
- ☐ (AC) Nordic Swan Ecolabel
- ☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- ☐ (AE) People's Bank of China green bond guidelines
- ☒ (AF) RIAA (Australia)
- ☐ (AG) Towards Sustainability label (Belgium)
- ☐ (AH) Other

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

	Percentage of your total environmental and/or social thematic bonds labelled by the issuers
(A) Green or climate bonds	>50-75%
(B) Social bonds	>10-50%
(C) Sustainability bonds	>10-50%
(D) Sustainability-linked bonds	>0-10%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☐ (E) Guidelines on sustainability outcomes
- ☐ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☐ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☐ (M) Other responsible investment elements not listed here
- ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☐ (C) Specific guidelines on other systematic sustainability issues
- ☐ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

- ☒ (A) Overall approach to responsible investment
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/01/PendalAustralia_RI-Philosophy_2020.pdf
- ☒ (B) Guidelines on environmental factors
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/01/PendalAustralia_RI-Philosophy_2020.pdf
- ☒ (C) Guidelines on social factors
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/01/PendalAustralia_RI-Philosophy_2020.pdf
- ☒ (D) Guidelines on governance factors
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/01/PendalAustralia_RI-Philosophy_2020.pdf
- ☒ (F) Specific guidelines on climate change (may be part of guidelines on environmental factors)
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/04/Pendal_Climate-Change-Statement_2020.pdf
- ☒ (G) Specific guidelines on human rights (may be part of guidelines on social factors)
Add link:
https://www.pendalgroup.com/wp-content/uploads/2021/04/Pendal_Human-Rights-Statement_2020.pdf
- ☒ (J) Guidelines on exclusions

Add link:

https://www.pendalgroup.com/wp-content/uploads/2021/01/PendalAustralia_RI-Philosophy_2020.pdf

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.pendalgroup.com/about/corporate-governance/>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.pendalgroup.com/wp-content/uploads/2023/08/Principles-of-Internal-Governance-and-Asset-Stewardship-Oct-2022.pdf>

☒ **(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://www.pendalgroup.com/wp-content/uploads/2023/08/Principles-of-Internal-Governance-and-Asset-Stewardship-Oct-2022.pdf>

☒ **(O) Stewardship: Guidelines on (proxy) voting**

Add link:

https://www.pendalgroup.com/wp-content/uploads/2021/11/Proxy-Voting-Policy_May-2022.pdf

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- ☒ **(A) Overall stewardship objectives**
- ☒ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
- ☒ **(C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts**
- ☐ (D) How different stewardship tools and activities are used across the organisation
- ☒ **(E) Approach to escalation in stewardship**
- ☐ (F) Approach to collaboration in stewardship
- ☒ **(G) Conflicts of interest related to stewardship**
- ☐ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- ☐ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- ☐ (B) Yes, it includes voting principles and/or guidelines on specific social factors
- ☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- ☐ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- ☐ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- ☐ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- ☐ (C) We rely on the policy of our external service provider(s)
- ☐ (D) We do not have a policy to address (proxy) voting in our securities lending programme
- ☒ (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment
 (B) Guidelines on environmental factors
 (C) Guidelines on social factors
 (D) Guidelines on governance factors

(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change

(1) for all of our AUM

(B) Specific guidelines on human rights

(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ (A) Listed equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%

- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (B) Fixed income

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (I) Other

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☒ (A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- ☐ (A) Board members, trustees, or equivalent
- ☒ **(B) Senior executive-level staff, or equivalent**
- Specify:

The Pandal Executive Risk & Operations Group includes the CEO of Perpetual Asset Management Australia, Amanda Gillespie, and has RI responsibilities such as overseeing the RI governance framework, monitoring compliance and ensuring policies/statements are reviewed on a regular basis. The Pandal RI Working Group provides input into RI guidelines, strategy & solutions and consists of RI specialists including senior members from each of the investment teams and representatives from corporate teams

- ☐ (C) Investment committee, or equivalent
- ☒ **(D) Head of department, or equivalent**
- Specify department:

Investment Director, Investment Solutions & Oversight

- ☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

(2) Senior executive-level staff, investment committee, head of department, or equivalent

(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

- ☐ (A) Yes
- ☐ (B) No
- ☒ **(C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

All Portfolio Managers

All investment analysts

Investment Director

Head of Responsible Investments (please note, this role is currently vacant however has been filled with the new started expected to begin in October 2023).

Investment Risk, Risk & Compliance

- ☐ (B) External investment managers, service providers, or other external partners or suppliers
- ☐ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

● **(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**

Indicate whether these responsible investment KPIs are linked to compensation

● **(1) KPIs are linked to compensation**

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

As part of our annual employee and business review process, key stakeholders driving our Responsible Investment activities set key objectives in consultation with the CEO and senior management.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ **(A) Any changes in policies related to responsible investment**
- ☐ (B) Any changes in governance or oversight related to responsible investment
- ☒ **(C) Stewardship-related commitments**
- ☐ (D) Progress towards stewardship-related commitments
- ☒ **(E) Climate-related commitments**
- ☒ **(F) Progress towards climate-related commitments**
- ☒ **(G) Human rights-related commitments**
- ☒ **(H) Progress towards human rights-related commitments**
- ☐ (I) Commitments to other systematic sustainability issues
- ☐ (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☐ (A) Yes, including all governance-related recommended disclosures
- ☐ (B) Yes, including all strategy-related recommended disclosures
- ☐ (C) Yes, including all risk management-related recommended disclosures
- ☐ (D) Yes, including all applicable metrics and targets-related recommended disclosures
- ☒ **(E) None of the above**
Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- ☐ (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☒ **(C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year**

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- ☐ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- ☐ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- ☐ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- ☐ (D) Exclusions based on our organisation's climate change commitments
- ☐ (E) Other elements
- ☒ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- ☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☐ (1) for all of our AUM subject to strategic asset allocation
 - ☒ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☒ (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases

☒ (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases
- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- ☒ (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- ☐ (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- ☐ (C) We vote in favour of shareholder resolutions only as an escalation measure
- ☐ (D) We vote in favour of the investee company management's recommendations by default
- ☐ (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- ☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- ☒ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- ☐ (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- ☐ (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- ☐ (A) Yes, for all (proxy) votes
- ☒ (B) Yes, for the majority of (proxy) votes

Add link(s):

<https://vds.issgovernance.com/vds/#/MjUxOQ==>

- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

(1) In cases where we abstained or voted against management recommendations

(2) In cases where we voted against an ESG-related shareholder resolution

(A) Yes, we publicly disclosed the rationale

(B) Yes, we privately communicated the rationale to the company

(1) for all votes

(1) for all votes

(C) We did not publicly or privately communicate the rationale, or we did not track this information

○

○

(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year

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STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one



(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal



(C) Publicly engaging the entity, e.g. signing an open letter



(D) Voting against the re-election of one or more board directors



(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director



(F) Divesting



(G) Litigation



(H) Other ☐

(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☒ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☐ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) Not investing
- ☒ (D) Reducing exposure to the investee entity
- ☒ (E) Divesting
- ☐ (F) Litigation
- ☐ (G) Other
- ☐ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☒ (A) Yes, we engaged with policy makers directly
- ☒ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☐ (A) We participated in 'sign-on' letters
- ☒ **(B) We responded to policy consultations**
- ☒ **(C) We provided technical input via government- or regulator-backed working groups**

Describe:

Regnan representatives are currently providing technical input to the Australian Sustainable Finance Initiative (ASFI) which is a policy initiative for more sustainable finance in Australia.

- ☒ **(D) We engaged policy makers on our own initiative**

Describe:

Regnan has presented to the Australian Financial Regulators climate change working group which included a discussion on the role and opportunities for regulators with respect to disclosure, systemic risk and supporting materials to encourage good practice amongst the entities it regulates.

- ☒ **(E) Other methods**

Describe:

We have representatives on the Financial Standards Council's ESG Working Group that informs and reviews industry ESG standards, including stewardship practices and disclosures as well as climate related and modern slavery reporting, and in turn engages with policymakers.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- ☐ (A) We publicly disclosed all our policy positions
- ☒ **(B) We publicly disclosed details of our engagements with policy makers**

Add link(s):

<https://www.pendalgroup.com/education-and-resources/how-pendal-investors-helped-make-the-world-a-better-place-in-2022/>

- ☐ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Equities

In accord with the Pental position on climate change, our Australian equities (AEQ) team actively considers climate-related risks & acknowledges that the escalating nature of climate change is impacting the time horizons over which many of these risks are becoming financially material. Where any risk is deemed to be material, it is factored into the investment decision making for this strategy.

Climate change is included within the AEQ's proprietary ESG integration framework, alongside other company- & sector-specific ESG issues. The framework has been informed by the Sustainability Accounting Standards Board (SASB) materiality matrix & leverages our analysts' deep company knowledge.

At a stock-specific level, when considering climate risk, we consider other metrics & information such as emissions reduction targets, shadow carbon price, Paris-aligned strategy, governance & oversight at appropriate levels for climate risk, & fossil fuel reserves, generally over a 3 year horizon.

We have subscribed to additional climate-related data sets from ISS so we can access additional relevant metrics at a portfolio level. For example, ISS climate & carbon reports cover a range of metrics including weighted average carbon intensity (WACI) & climate scenario analytics at a portfolio level. ISS carbon metrics have recently been integrated into Factset & we can now analyse carbon data in combination with company, risk & benchmark data.

Pental Australia & our specialist ESG team Regnan have partnered to develop a proprietary climate tool for use by Pental investment teams, providing the AEQ analysts a deeper view of climate risk than their core ESG integration framework.

The tool evaluates emissions data (scope 1, 2 & 3), both at a sectoral & universe level; transition data (e.g. carbon budget); management indicators (e.g. if the company has emissions reduction targets, if there is management oversight of climate risks in disclosure); & physical risks of climate change. Raw data is sourced from ISS & then analysed, before a Regnan-designed assessment framework is applied. The output is various scores across key climate-related areas which can be used to identify companies with elevated exposures which warrant further investigation.

The tool is accompanied by guidance written by Regnan to help analysts better incorporate these risks into stock evaluations.

AEQ analysts have participated in the tool's development & is an important part of our assessment of companies. The tool is designed to be dynamic & will be refined as data quality improves, scientific understanding evolves, & regulatory & market settings change.

Fixed Income

The Pental Income & Fixed Interest (IFI) team uses the SASB framework to help prioritise risks across sectors.

Climate risk is generally demarcated into physical risks & transition risks, both of which can result in financial & social license concerns. We view the climate risks & opportunities affecting our investments generally over a 3 year horizon. Our preference is for issuers that report against the Task Force on Climate-related Financial Disclosures which may include scenario-analysis. More issuers are committed to this reporting framework & we engage with issuers to encourage robust climate-related annual financial disclosures. We place particular attention on disclosure & engagement for those sectors with larger scope 1 & 2 emissions, e.g. utilities & infrastructure.

This may include determining if there is a credible climate change transition plan to ensure a Paris-Agreement aligned future as well as adequate response to physical risks of climate change. Medium & longer term risks that we consider may include the reliance on technology or processes that are inconsistent with a zero-emissions future. This concerns the use of fossil fuels which may result in stranded assets or lower liquidity. We also may consider how issuers are responding to the future physical risks of climate change, such as contingency planning & infrastructure mitigation of increased high-tide marks, temperatures, bushfires & extreme weather events. As we are very active in the Green & Climate bond space, we have developed significant expertise in understanding best practice across different sectors for physical & transition risks.

Pendal's ethical overlay generally avoids issuers directly involved in any of the extraction of thermal coal & oil sands production where such activities account for 10% or more of an issuer's total revenue. Later this year, we plan to tighten this overlay further, generally excluding issuers with 5% or more total revenue exposure to extraction of thermal coal & oil sands production.

Carbon Intensity

Our dedicated RI & Regnan strategies have significantly outperformed their emissions intensity benchmarks. Demonstrating our funds are working in line with our climate change & sustainability ambitions.

- ☐ (B) Yes, beyond our standard planning horizon
- ☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

● (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Our response to PGS 41 details how we integrate climate risks & opportunities into our investments at an asset class level. While Pendal operates with a multi-boutique structure affording each investment boutique investment autonomy, at an organisational level, Pendal has published a public statement on climate change, providing guidance to both our business and our investment teams to support decision making. It applies to all Pendal Australia businesses and can be found here: https://www.pendalgroup.com/wp-content/uploads/2021/02/Pendal_Climate-Change-Statement_2020_Final.pdf

Transition Planning

Pendal recognises the risks and opportunities presented by climate change and as stewards of capital, where appropriate, we encourage companies to evolve towards business models that are sustainable in a low carbon world and resilient to the effects of a changing climate.

The finance sector is well positioned to support global efforts in climate mitigation & adaptation through capital allocation & collaboration.

Stewardship, or active ownership, practices can drive positive climate action with investee companies. Active managers have an interest in leveraging their influence to support such outcomes.

We have identified the need for a business approach to mitigating risks from climate change in both real & financial assets & supporting the private sector efforts through capital allocation & collaboration.

In 2022, we partnered with a leading third-party professional services team to conduct a current state assessment of potential business-wide decarbonisation ambitions and key implementation requirements.

Throughout this assessment, a comprehensive stocktake was conducted over our capability to assist clients with their net-zero ambitions and targets. The assessment approach included document reviews, interviews, benchmarking and reporting which delivered our current state assessment. Pental's next steps identified through this assessment

- Determine the desired ambition level & develop a shared statement of ambition for Pental Group
- Establish relevant Group & fund level GHG emissions baselines & minimum requirements for reporting
- Incorporate oversight & monitoring of climate performance into existing governance structure

Collaborative Approach

Pental's collaborative approach to climate change continues through our ongoing support of the IGCC with Pental joining the 'Climate Change League 2030', a 10-year initiative of the IGCC to reduce Australia's greenhouse gas emissions by a further 230 million tonnes.

Further, Regnan ran a series of investor masterclasses on climate change designed for members of the IGCC. One of the sessions focused on tools to support the effective development of investor climate actions plans. They included practical tips from local practitioners and explored better practice examples from around the globe.

Lowering of carbon intensity at a portfolio level

Our dedicated RI strategies have significantly outperformed their emissions intensity benchmarks.

Demonstrating how our funds are working in line with our climate change & sustainability ambitions. The progress is also a reflection of our tightening of fossil fuel negative screens applied to some of our sustainable strategies.

Note: Within our Australian equities boutique, we have added weighted average carbon intensity benchmark objectives to two of our bespoke institutional client mandates, reflecting growing client needs & expectations.

In line with growing client expectations & industry standards, we reviewed the exclusionary screens across our Sustainable Series funds ensuring they continue to meet the needs of our clients. The output from this process was an enhanced governance framework for the monitoring of negative screens' compliance, & a tightening of the fossil fuel negative screens applied to some of our sustainable strategies.

Emissions intensity of selected strategies vs their respective benchmark:

Dedicated RI & Regnan Strategies -

- Pental Horizon Sustainable Australian Share Fund – Emissions Intensity 47.8% below benchmark
- Regnan Global Equity Impact Solutions Fund – Emissions Intensity 66.5% below benchmark

Core Strategies -

- Pental Global Select Fund – Emissions Intensity 57.2% below benchmark
- Pental MicroCap Opportunities Fund – Emission Intensity 92.3% below benchmark

Our business activities

Emissions from our operations are typically not material.

However, we seek to reduce our emissions through the following actions:

- minimising emissions from flights and hotel accommodation
- reducing electricity consumption and/or offset emissions from electricity
- working with suppliers to reduce scope 3 emissions, including potentially switching to suppliers who are committed to reducing their emissions

Pental Australia has completed its FY21 Climate Active carbon neutral certification and we are quantifying our FY22 footprint with the goal of achieving Climate Active carbon neutrality for our 3rd year running.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- ☐ (B) Yes, using the One Earth Climate Model scenario
- ☒ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- ☐ (D) Yes, using other scenarios
- ☐ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- ☒ (A) Yes, we have a process to identify and assess climate-related risks
 - (1) Describe your process

Please refer to PGS 41
 - (2) Describe how this process is integrated into your overall risk management

Please refer to PGS 41
- ☒ (B) Yes, we have a process to manage climate-related risks
 - (1) Describe your process

Please refer to PGS 41
 - (2) Describe how this process is integrated into your overall risk management

Please refer to PGS 41
- ☐ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?

- ☒ (A) Exposure to physical risk
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - ☒ (1) Metric or variable used
 - ☐ (2) Metric or variable used and disclosed
 - ☐ (3) Metric or variable used and disclosed, including methodology
- ☒ (B) Exposure to transition risk

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
- (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology

☒ (C) Internal carbon price

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
- (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology

☒ (D) Total carbon emissions

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
- (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology

☒ (E) Weighted average carbon intensity

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
- (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.pendalgroup.com/wp-content/uploads/2023/04/Pendal-Responsible-Investment-and-Stewardship-Annual-Report-2022.pdf>

☒ (F) Avoided emissions

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
- (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.pendalgroup.com/pendal-sustainable-australian-fixed-interest-fund/>

☐ (G) Implied Temperature Rise (ITR)

☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities

☐ (J) Other metrics or variables

○ (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☒ (A) Scope 1 emissions

- (1) Indicate whether this metric was disclosed, including the methodology
- (1) Metric disclosed
 - (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://annual-report-2022.pendalgroup.com/our-community-and-environment/>

☒ **(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

☒ **(1) Metric disclosed**

☐ (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://annual-report-2022.pendalgroup.com/our-community-and-environment/>

☒ **(C) Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

☒ **(1) Metric disclosed**

☐ (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://annual-report-2022.pendalgroup.com/our-community-and-environment/>

☐ (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

☒ **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**

☐ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

☒ **(A) The UN Sustainable Development Goals (SDGs) and targets**

☒ **(B) The UNFCCC Paris Agreement**

☒ **(C) The UN Guiding Principles on Business and Human Rights (UNGPs)**

☒ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (E) The EU Taxonomy

☒ (F) Other relevant taxonomies

Specify:

In-house proprietary sustainability frameworks

Future-Fit Business Benchmark

International Capital Market Association (ICMA) impact bond principles

☐ (G) The International Bill of Human Rights

☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (I) The Convention on Biological Diversity

☐ (J) Other international framework(s)

☐ (K) Other regional framework(s)

☐ (L) Other sectoral/issue-specific framework(s)

☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities

☒ (B) Consult with key clients and/or beneficiaries to align with their priorities

☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character

☐ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues

☒ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)

☐ (F) Understand the geographical relevance of specific sustainability outcome objectives

☒ (G) Other method

Specify:

Not only does Pandal operate a multi-boutique structure affording each investment boutique investment autonomy, but we also offer dedicated sustainability strategies where the sustainability priorities are set at the strategy level. Priorities will be informed by key clients of these strategies, but the Portfolio Managers may also determine the outcomes that they believe most important.

For example, when speaking with companies on climate-related issues, we prioritise our engagements based on a materiality consideration taking into account the size of the portfolio holding, the role in the portfolio (i.e., is the stock expected to be held over time providing ample opportunities for engagement), the degree of exposure to climate related-risks and opportunities, assessment of the quality of management's response and residual risk and the openness of the company to engagement. We also consider the degree to which such issues may impact risk/return characteristics of an investment and the degree of alignment with the needs of the underlying client base.

- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

(3) Active - fundamental

(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

(3) Active - fundamental

(A) Yes, we have a formal process that includes scenario analyses

(1) for all of our AUM

(B) Yes, we have a formal process, but it does not include scenario analyses

(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion

○

(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies

○

(A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)

Pendal Australia has a Responsible Investments Working Group to facilitate knowledge sharing on emerging ESG trends and provide input into RI guidelines, strategy and solutions. The group meets monthly and consists of a number of RI specialists across the business including senior members from each of the investment teams, and representatives from a number of the corporate teams including Risk & Compliance, Investment Solutions and Oversight, Sales and Regnan.

At a portfolio level, Pendal Australia and our specialist ESG team Regnan have partnered to develop a proprietary climate tool for use by Pendal investment teams, providing a deeper view of climate risk than their respective core ESG integration processes. The tool itself evaluates emissions data (scope 1, 2 and 3), both at a sectoral level and at the universe level; transition data (e.g. carbon budget); management indicators (e.g. if the company has emissions reduction targets, if there is management oversight of climate risks in disclosure); and physical risks of climate change.

For our Australian equities' holdings, we have developed our own modern slavery risk assessment tool. It comprises a combination of automated data feeds and Pendal assessments to determine company exposure to modern slavery risks, producing a heat map across the ASX300. We have 7 sub-scores to determine an overall score. These consider: supply chain complexity, sector risk, business activity risk, business model risk, controversies, proportion of casual employees and operating locations.

At a portfolio level we can also run the weighted average carbon intensity across all of our equity holdings.

We also incorporate specific ESG related scenarios considering; what are the implications for the portfolio. A recent example was off the back of the Safeguard Mechanism; the Australian Federal Government's intervention into Australia's corporate emissions market.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

(2) Active - fundamental

(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process

(1) in all cases

(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

(3) Active - fundamental

(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors

(1) in all cases

(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors

(1) in all cases

(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability

(1) in all cases

(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors

(2) in a majority of cases

(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process

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ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

(3) Active - fundamental

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(2) for a majority of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(2) for a majority of our AUM

(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(2) for a majority of our AUM

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- ☒ (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- ☐ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☐ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☐ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(2) Active - fundamental

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings



(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents



(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities



(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents



(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion



(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- ☐ (D) We do not share the above information for all our listed equity assets subject to ESG screens

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(1) SSA	(2) Corporate
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(1) SSA	(2) Corporate
(A) Yes, we have a formal process that includes scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses		
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	○	○
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	○	○

(A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

Pendal Australia has a Responsible Investments Working Group to facilitate knowledge sharing on emerging ESG trends and provide input into RI guidelines, strategy and solutions. The group meets monthly and consists of a number of RI specialists across the business including senior members from each of the investment teams, and representatives from a number of the corporate teams including Risk & Compliance, Investment Solutions and Oversight, Sales and Regnan.

At a portfolio level, Pendal Australia and our specialist ESG team Regnan have partnered to develop a proprietary climate tool for use by Pendal investment teams, providing a deeper view of climate risk than their respective core ESG integration processes. The tool itself evaluates emissions data (scope 1, 2 and 3), both at a sectoral level and at the universe level; transition data (e.g. carbon budget); management indicators (e.g. if the company has emissions reduction targets, if there is management oversight of climate risks in disclosure); and physical risks of climate change.

For the ASX300, we have developed our own modern slavery risk assessment tool. It comprises a combination of automated data feeds and Pendal assessments to determine company exposure to modern slavery risks, producing a heat map across the ASX300. We have 7 sub-scores to determine an overall score. These consider: supply chain complexity, sector risk, business activity risk, business model risk, controversies, proportion of casual employees and operating locations.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(1) SSA	(2) Corporate
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(1) SSA	(2) Corporate
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	○	○
(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

	(1) SSA	(2) Corporate
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(2) for a majority of our AUM	(1) for all of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(1) for all of our AUM	(1) for all of our AUM

(C) We do not incorporate significant changes in material ESG factors

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ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

(1) SSA

(2) Corporate

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(1) for all of our AUM

(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(1) for all of our AUM

(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(1) for all of our AUM

(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(2) for a majority of our AUM

(2) for a majority of our AUM

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways

(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

(1) SSA

(2) Corporate

(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations

(3) for a minority of our AUM

(3) for a minority of our AUM

(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits

(3) for a minority of our AUM

(3) for a minority of our AUM

(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors

(2) for a majority of our AUM

(2) for a majority of our AUM

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process

(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process

○

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(1) SSA

(2) Corporate

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings

☒

☒

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents

☒

☒

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>
(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process	<input type="radio"/>	<input type="radio"/>

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?

- ☒ (A) The bond's use of proceeds
- ☒ (B) The issuers' targets
- ☒ (C) The issuers' progress towards achieving their targets
- ☒ (D) The issuer profile and how it contributes to their targets
- ☐ (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
- ☐ (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?

- ☒ (A) We engaged with the issuer
 - ☐ (B) We alerted thematic bond certification agencies
 - ☒ (C) We sold the security
 - ☐ (D) We blacklisted the issuer
 - ☒ (E) Other action
- Specify:

Engage with structurers as well and also, where relevant, disclose to clients.

- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☐ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☐ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- ☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☐ (A) Board, trustees, or equivalent
- ☒ (B) Senior executive-level staff, investment committee, head of department, or equivalent
 - Sections of PRI report reviewed
 - ☐ (1) the entire report
 - ☒ (2) selected sections of the report
 - ☐ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year