



LEA 02	Discretionary Mandate	Gateway	Principles PRI 1,2,3
<p>By default, we will not engage with companies that are involved in the production, distribution, or sale of weapons, including nuclear weapons, or in the production, distribution, or sale of tobacco, alcohol, or gambling products.</p> <p>Our engagement strategy is based on the following principles:</p> <ul style="list-style-type: none"> <li>To support investment decisions that are consistent with our ESG values.</li> <li>To influence companies to improve their ESG performance.</li> <li>To engage with companies on issues that are material to their business and to the interests of our investors.</li> <li>To engage with companies on issues that are material to the interests of our investors.</li> </ul>	<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisions consistent with our ESG values</li> <li><input checked="" type="checkbox"/> To influence companies to improve their ESG performance</li> <li><input checked="" type="checkbox"/> To engage with companies on issues that are material to their business and to the interests of our investors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage with internal staff</li> <li><input type="checkbox"/> To support investment decisions consistent with our ESG values</li> <li><input type="checkbox"/> To influence companies to improve their ESG performance</li> <li><input type="checkbox"/> To engage with companies on issues that are material to their business and to the interests of our investors</li> <li><input type="checkbox"/> We do not engage with internal staff</li> <li><input type="checkbox"/> To support investment decisions consistent with our ESG values</li> <li><input type="checkbox"/> To influence companies to improve their ESG performance</li> <li><input type="checkbox"/> To engage with companies on issues that are material to their business and to the interests of our investors</li> </ul>	<p>Our engagement strategy is based on the following principles:</p> <ul style="list-style-type: none"> <li>To support investment decisions that are consistent with our ESG values.</li> <li>To influence companies to improve their ESG performance.</li> <li>To engage with companies on issues that are material to their business and to the interests of our investors.</li> <li>To engage with companies on issues that are material to the interests of our investors.</li> </ul>

# RI TRANSPARENCY REPORT

## 2019

### EG Funds Management

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	✓	Private							✓
OO PR 02	Breakdown of property assets by management	✓	Private							✓
OO PR 03	Largest property types	✓	Private							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	🔒	n/a							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		🔒	n/a							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 02	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 03	Formal commitments to RI	✓	Private				✓			
PR 04	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 05	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 06	ESG issues impact in selection process	✓	Public	✓						
PR 07	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 08	ESG issues in post-investment activities	✓	Public		✓					
PR 09	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 10	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 11	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 12	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 13	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 14	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 15	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 16	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR End	Module confirmation page	✓	-							

# EG Funds Management

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Australia

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10



**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

55

**OO 03** **Mandatory** **Public** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

**OO 04** **Mandatory** **Public** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

30/06/2019

**OO 04.2** Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM			493	200	000
Currency	AUD				
Assets in USD			363	733	656

Not applicable as we are in the fund-raising process

**OO 04.4** Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

	trillions	billions	millions	thousands	hundreds
Total AUM			46	200	000
Currency	AUD				
Assets in USD			34	072	374

Not applicable as we do not have any assets under execution and/or advisory approach

**OO 06** **Mandatory** **Public** **Descriptive** **General**

**OO 06.1**

Select how you would like to disclose your asset class mix.

 as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	0	0
Property	100	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

 as broad ranges**OO 06.2**

Publish asset class mix as per attached image [Optional].

**OO 06.3**

Indicate whether your organisation has any off-balance sheet assets [Optional].

 Yes No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

<b>OO 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Peering</b>	<b>General</b>
--------------	------------------	---------------	----------------	----------------

**OO 09.1** Indicate the breakdown of your organisation's AUM by market.

	Developed Markets		
		100	
	Emerging Markets		
		0	
	Frontier Markets		
		0	
	Other Markets		
		0	
	Total 100%		
		100%	

### Asset class implementation gateway indicators

<b>OO 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
--------------	------------------	---------------	----------------	----------------

**OO 12.1** Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

	Core modules		
	<input checked="" type="checkbox"/> Organisational Overview		
	<input checked="" type="checkbox"/> Strategy and Governance		
	RI implementation directly or via service providers		

Direct - Other asset classes with dedicated modules

Property

RI implementation via external managers

Closing module

Closing module

# EG Funds Management

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

EG's investment objective is to generate long-term financial and sustainable returns for investors across its investment portfolio. As a fund manager, EG's role is to utilise sound investment judgement within our social, sustainability and corporate governance framework.

It's part of EG's fiduciary duty to consider all factors which may impact stakeholders, the community and the environment in which EG operates. EG accordingly incorporates ESG considerations throughout the life of an investment, including the acquisition, management and the disposal of assets.

EG has committed not to purchasing any assets from a range of specified industries and manufacturers pursuant to EG's responsibilities as a signatory to the UN Principles for Responsible Investments (UNPRI).

EG is also continually developing our compliance program to provide confidence to our investors, meet our statutory and regulatory requirements, and achieve best practice standards for governance. Our compliance program is supported by policies and procedures (both formal and informal) detailing how certain functions are to be performed across all business units. We work hard at consistent and transparent communication with investors and we take a long-term view to investing, working collaboratively with partners to ensure we're aligned in achieving a positive outcome for all.

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

EG has adopted an ESG Policy which mandates the consideration of ESG issues throughout the investment management process. The includes incorporating responsible investment principles in the acquisition, management and the disposal of assets. EG accordingly undertakes comprehensive asset due diligence to ensure that key ESG risks and opportunities can be identified and managed. For example, EG has developed an in-house risk management software (PRISMS) and bespoke due diligence checklist to systematically identify risks and opportunities which will not only affect the financial performance of the asset but will also have ESG impacts.

EG's due diligence checklist has a comprehensive ESG section with 14 questions covering a range of ESG risks and considerations. These questions consider, amongst other items, the environmental impacts of the asset and how initiatives can be undertaken to improve energy, water and waste efficiency. Consideration is also given to climate change risk. Social considerations are also assessed which often includes profiling tenants and "quality of place". EG's PRISMS software similarly allows for a systematic approach to undertaking asset due diligence and monitoring of asset risks over time. EG reports on these ESG issues in investment proposals and then provides ESG updates to investors in quarterly reports.

After the acquisition of an asset, EG continues to identify and manage ESG risks and considerations on an ongoing basis. EG incorporates where applicable, National Australian Built Environment Rating System (NABERS) ratings, performance monitoring, lifecycle assessments of plant and equipment, site specific OH&S risk assessments etc. in the active management of assets.

EG also manages the HISOT Fund, an ethical investment fund that focuses on improving the energy efficiency of property assets to at least 4.5 stars under the NABERS. NABERS is Australia's building performance rating which is used to measure a building's energy efficiency, carbon emissions, water consumption and waste production.

As a signatory to the UNPRI, EG reports annually on its adherence to the six principles of responsible investment across the business. The UNPRI are a voluntary and aspirational framework for incorporating environmental, social and corporate governance into decision-making.

EG is also currently in the process of joining the Global Real Estate Sustainability Benchmark (GRESB) and is working with a GRESB consultant to further integrate ESG consideration into its investment management processes.

Finally, EG is currently working with an independent environmental-systems specialist to codify our Responsible Investment policy. Our external consultant has been tasked with identifying best-practice industry standards and incorporating these into EG's policy.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02	Mandatory	Public	Core Assessed	PRI 6
-------	-----------	--------	---------------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

**SG 02.1** Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<https://www.eg.com.au/about/responsible-investing>

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- We do not publicly disclose our investment policy documents

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- ESG incorporation approaches

URL/Attachment

- URL

URL

<https://www.eg.com.au/about/prisms>

- Attachment
- We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------



**SG 03.1**

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

**SG 03.2**

Describe your policy on managing potential conflicts of interest in the investment process.

EG's conflicts of interest policy mandates:

- the appointment of a Compliance Officer to manage potential or real conflicts of interest at all times;
- that all staff members are adequately trained on conflicts;
- that all staff members sign a declaration upon commencement of their employment at EG and on annual basis afterwards undertaking to disclose any conflicts of interest as soon as they arise;
- that all staff members complete an interests register;
- a formal Conflicts Register which identifies, reviews and reports on conflicts; and
- a quarterly review by EG's Board of Conflicts Register

No

**SG 03.3**

Additional information. [Optional]

It is an employment requirement that EG staff disclose any potential or actual conflicts of interest. EG maintains a conflict of interest register which identifies conflict of interest, the magnitude of the risk and the mechanism for resolving/monitoring the conflict.

In the event that a potential or actual conflict of interest arises, EG reports the conflict and its management of that conflict to investors at the earliest opportunity. When a potential conflict is identified, the Compliance Officer will be guided by the definition outlined in RG181. The Officer will evaluate the nature of the conflict and determine the magnitude of the risk and likelihood of the risk. Management of the conflict will be determined based on the outcomes of this evaluation. Management of the conflict will vary depending on its nature and may include avoidance, control or disclosure of the conflict. However, in all cases, whether potential or actual, EG actively excludes the conflicted staff member from any involvement in the matter to which the conflict gives rise.

EG's approach is that conflicts in investment mandates should be avoided rather than managed.

As an independent unlisted fund manager, EG can commit to a 'zero conflict' policy in respect of its investment mandates. EG therefore has no need for the queuing and governance systems typically adopted by other managers to deal with investment opportunities that fit multiple investment mandates.

Accordingly, EG does not accept any new investment mandates that conflict, or have a competing investment agenda, with existing active EG mandates and does not invest as a principal in investments that conflict with existing active EG mandates.

In the event EG recommends a deal to a fund's Investment Committee and the deal is rejected, EG retains a right to promote the rejected deal to other investors, but only as a one-off deal and never as part of a competing mandate.

## Objectives and strategies

SG 05

Mandatory

Public

Gateway/Core Assessed

General

**SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

**SG 05.2**

Additional information. [Optional]

EG ensures that all assets are closely monitored for performance and compliance with ESG requirements as part of its quarterly reporting and annual strategy review processes. At first instance, an in-house asset manager is responsible for overseeing the performance and compliance of each asset on an ongoing basis. The asset manager is then required to report on all aspects of the day-to-day operation of the asset to the Investment Committee which conducts an assessment as to whether or not the asset is operating in accordance with EG's ESG policies. This assessment includes consideration of the asset's compliance with all relevant environmental standards. All relevant stakeholders are also consulted which ensures that community feedback is incorporated into the decision-making process. This process is aimed at providing a transparent system to ensure the asset is performing at its optimal level whilst ensuring ESG standards are met and where possible exceeded.

EG also holds biannual strategy sessions attended by the Executive Committee where the organisation's responsible investment activities are considered and reviewed. These deliberations of the Executive Committee also canvass possible future investments to ensure that EG's investment strategy accords with the organisation's values, including the value EG attributes to ESG considerations.

## Governance and human resources

**SG 07****Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

	Roles
<input checked="" type="checkbox"/> Board members or trustees	<input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/> Internal Roles (triggers other options)	

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment

**SG 07.2**

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

At EG, reporting is organic, ongoing and is built into our cultural framework. ESG reporting encompasses both informal and formal processes. EG operates an open office structure in which staff and senior management are physically co-located and therefore interact on a regular basis. Consequently, staff can raise any ESG issues of concern directly with relevant senior managers and at whole-of-company weekly staff meetings. Senior managers also hold three formal meetings each week (Business Development, Capital Transactions and Asset Management, HR & Culture) at which relevant ESG issues are considered and managed and, if required, referred to the EG Board for resolution. The EG Board meets quarterly and more frequently if required. EG's Compliance Officer reports formally to the Board on a quarterly basis, and otherwise as issues arise.

**SG 07.3**

Indicate the number of dedicated responsible investment staff your organisation has.

Number

2

SG 07.4

Additional information. [Optional]

At a corporate level, EG's General Manager is responsible for ESG integration across the organisation. At an asset level, the managers in our Capital Transactions and Asset Management teams are each responsible for ensuring that ESG considerations are considered when acquiring and managing assets.

Being a small organisation, EG does not currently have a dedicated environmental officer, as we do for social and governance matters. EG is, however, currently working with an independent environmental-systems specialist to centralise and document the management of our environmental practices in a comprehensive and systematic manner. The external consultant is also assisting EG to identify industry best-practice which will be incorporated into our policy and ensure that EG's approach to ESG issues is optimal.

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

### Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

#### Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

As a signatory to the UNPRI, EG reports annually on its adherence to the six principles of responsible investment across the business. EG has committed not to purchasing any assets from a range of specified industries and manufacturers pursuant to EG's responsibilities as a signatory to the UNPRI.

EG has also publicly noted that it is a signatory to the UNPRI on its website.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EG is currently in the process of joining the GRESB and is working with a GRESB consultant to further integrate ESG consideration into its investment management processes.

- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
Property Council of Australia

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

EG is a member of the Property Council of Australia (PCA) and adheres to its best practice in relation to sustainability as noted on the PCA's website:

[https://www.propertycouncil.com.au/Web/Advocacy/Advocacy\\_Priorities/Sustainability/Web/Advocacy/Priority/Sustainability.aspx?hkey=daecae2b-31f8-44d9-8c43-ae35b4cf0b30](https://www.propertycouncil.com.au/Web/Advocacy/Advocacy_Priorities/Sustainability/Web/Advocacy/Priority/Sustainability.aspx?hkey=daecae2b-31f8-44d9-8c43-ae35b4cf0b30)

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

**SG 10.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**SG 10.2**

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment

## Description

EG sponsors the Easson Geha Award in Planning which was established to assist students undertaking the final year thesis course in the UNSW Built Environment Bachelor of Planning program.

## Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- Provided input and/or collaborated with academia on RI related work

## Description

EG has provided content for the Institutional Real Estate Asia Pacific journal relating to using big data in risk analysis, the ageing of the population, transit oriented developments and housing affordability.

## Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

## Description

EG strongly believes that Responsible Investment principles should be implemented by all investment firms.

EG aims to promote the Principles of Responsible Investment to the market through the use of marketing

materials and publicly on our website. ESG factors are discussed with investors to raise awareness of the importance of these issues in the investment process (especially those pertaining to our ESG focussed funds being, HISOT and YPI). EG seeks to incorporate the Principles of Responsible Investment in its corporate culture and investment strategy to demonstrate to the market that ESG issues are paramount to the investment industry.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Spoke publicly at events and conferences to promote responsible investment
  - Wrote and published in-house research papers on responsible investment
  - Encouraged the adoption of the PRI
  - Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
  - Wrote and published articles on responsible investment in the media

#### Description

EG regularly publishes articles in the media relating to the progress, performance and sustainability initiatives of its High Income Sustainable Investment Trust fund.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- A member of PRI advisory committees/ working groups, specify
  - On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

#### Description

EG's Executive Director currently serves as the Chairman of BridgeHousing, a community housing provider.



Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- Other, specify
- No

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1	Indicate whether your organisation uses investment consultants.
---------	---

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
---------	--

- Yes, to assess future ESG factors

	Describe
--	----------

EG believes that implementing sound ESG practices leads to improved tenant retention, reduced leasing downtime, improved leasing prospects and reduced operational expenses. EG undertakes modelling of all these items during the due diligence process prior to asset acquisition.

- Yes, to assess future climate-related risks and opportunities

	Describe
--	----------

EG undertakes modelling to determine the green premium (from increased rents and reduced operational costs) obtainable as a result of increasing building efficiency and upgrading the NABERS rating of an asset.

- No, not to assess future ESG/climate-related issues

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
---------	---

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify

EG invests in low NABERS rated buildings with the objective of improving the energy efficiency of the asset.

- We do not consider ESG issues in strategic asset allocation

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
-------	-----------	--------	---------------	----------

SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
---------	---

**Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.**

If you are transferring data from an offline document, please check your response carefully.

Property

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

<b>Disclosure to clients/beneficiaries</b>	
	<p><b>Disclosure to clients/beneficiaries</b></p> <p><input checked="" type="checkbox"/> ESG information on how you select property investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments</p> <p><input checked="" type="checkbox"/> Information on your property investments' ESG performance</p> <p><input type="checkbox"/> Other</p>
	<p><b>Frequency</b></p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>

# EG Funds Management

## Reported Information

### Public version

#### Direct - Property

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PR 01

Mandatory

Public

Core Assessed

PRI 1-6

PR 01.1

Indicate if your organisation has a Responsible Property Investment (RPI) policy.

Yes

PR 01.2

Provide a URL or attach the document

URL

Attach Document

[Appendix G - ESG Policy.pdf \[547KB\]](#)

No

PR 01.3

Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy. [Optional]

EG's responsible investment objective is to generate long-term financial and sustainable value for investors across its investment portfolio. As a fund manager, EG's role is to utilise sound investment judgement within our social, sustainability and corporate governance framework.

It's part of our fiduciary duty to consider all factors which may impact stakeholders, the community and the environment in which we operate. EG accordingly incorporate ESG considerations throughout the investment management process. From the initial stages of investment evaluation, EG undertakes comprehensive asset due diligence to ensure that key ESG risks and opportunities are identified and managed.

EG's due diligence checklist has a comprehensive ESG section with 14 questions covering a range of ESG risks and considerations. These questions consider, amongst other items, the environmental impacts of the asset and how initiatives can be undertaken to improve energy, water and waste efficiency. Consideration is also given to climate change risk. Social considerations are also assessed which often includes profiling tenants and "quality of place". We engage with environmental consultants during the due diligence process irrespective of the asset type or strategy to identify environmental risks and opportunities. Appropriate steps are then taken to manage the risks and take advantage of the opportunities such as improving the energy efficiency of the building.

EG's PRISMS software similarly allows for a systematic approach to undertaking asset due diligence and monitoring of asset risks over time. The due diligence process therefore identifies risks and opportunities which will not only affect the financial performance of the asset but also have ESG impacts. Once these factors are identified they can be responsibly addressed. EG reports on these ESG issues in investment proposals and then provides ESG updates to investors in quarterly reports.

After the acquisition of an asset, EG continues to identify and manage ESG risks and considerations on an ongoing basis. For example, EG ensures that its urban renewal and redevelopment projects are sympathetic to the environment in which EG invests and develops. This includes heritage responsibility, environmental management and engagement with the community throughout the development lifecycle.

EG incorporates the following active management tools to identify and manage ESG risks:

- NABERS environmental ratings are undertaken for applicable assets. This can often be a key feature of the asset strategy;
- performance monitoring for electricity and water consumption where possible;
- lifecycle assessments of plant and equipment to understand the current state of assets to maximize energy efficiency and reduce carbon emissions;
- site-specific environmental and WHS risk assessments; and
- encouraging high levels of tenant interaction to monitor tenant satisfaction.

EG actively engages with tenants to understand their requirements. Where possible, we seek to improve wellness features in our assets, for example, natural light and quality of facilities.

EG has documented and defined processes to comply with our statutory and regulatory obligations in relation to governance, employment and WHS. We work in partnership with investors and are known for our transparency in reporting and communications. We work hard at consistent and transparent communication with investors and we take a long-term view to investing by working collaboratively with partners to ensure we're aligned in achieving a positive outcome for all.

## Fundraising of property funds

PR 02	Mandatory	Public	Core Assessed	PRI 1,4,6
-------	-----------	--------	---------------	-----------

PR 02.1

Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

PR 02.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes

PR 02.3

Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

EG's fund placement documents and associated Investor Deeds for all of its funds incorporate ESG considerations. EG's forthcoming ACE fund also stipulates that EG will not invest in assets from a range of specified industries and manufacturers which would conflict with EG's principles of responsible investment.

- No
- Not applicable as our organisation does not fundraise

## Pre-investment (selection)

PR 04	Mandatory	Public	Gateway/Core Assessed	PRI 1
-------	-----------	--------	-----------------------	-------

PR 04.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

Yes

EG views the principles of responsible investment as paramount to the investment decision-making process and has developed internal systems to entrench the principles of responsible investment in its decision-making process. These principles and ESG considerations are applied in the management of both existing assets and when making new investments. As a manager and developer of real estate assets, EG seeks the highest and best use for its sites while ensuring that the principles of social and environmental sustainability are applied.

EG believes that it is part of its fiduciary duty to consider all factors which affect its stakeholders, including ESG considerations. EG accordingly incorporates ESG principles throughout the life of an investment including the acquisition, management and the disposal of assets.

From the initial stages of investment evaluation, EG undertakes comprehensive asset due diligence to ensure that key ESG risks and opportunities can be identified and managed. EG's due diligence process includes the use of EG's own proprietary risk management system (PRISMS) and a bespoke due diligence checklist.

EG's due diligence checklist has a comprehensive ESG section with 14 questions covering a range of ESG risks and considerations. These questions consider, amongst other items, the environmental impacts of the asset and how initiatives can be undertaken to improve energy, water and waste efficiency. Consideration is also given to climate change risk. Social considerations are also assessed which often includes profiling tenants and "quality of place". EG's PRISMS software similarly allows for a systematic approach to undertaking asset due diligence and identifies, quantifies and monitors asset risks over time. These key risks are then registered, monitored and managed throughout the life of the investment. PRISMS® applies a highly quantitative approach to assessing risk and ensures that all prospective investments are considered in a systematic manner. EG provides an assessment of these ESG issues in its investment proposals.

Where EG undertakes due diligence on an asset, external contractors (such as town planners, engineers, environmental consultants and designers) are engaged to perform assessments on a broad array of items, including:

- Contamination
- Heritage
- Biodiversity
- Flooding
- Traffic
- Safe building materials
- Natural hazards

The due diligence process identifies those risks and opportunities which will not only affect the financial performance of the asset but also have ESG impacts. Once these issues are identified, they can be responsibly managed.

The key risks identified as part of the due diligence and PRISMS® assessment are then logged, tracked and managed throughout the life of the investment. This risk register forms part of the asset strategy once acquired. Further, during the due diligence phase EG develops an asset plan for each asset which forms the basis of the ongoing asset management.

The asset management plan is then put in place to address issues and opportunities identified during due diligence. Each asset acquired is then continually assessed for ESG improvements and initiatives are put in place, for example, to improve the sense of community at a development and to improve the performance of assets, with a focus on low-cost initiatives that have a substantive positive effect on ESG. For EG developments, we also have proactive and transparent community engagement throughout the planning and construction phases.

EG believes that energy efficiency, water efficiency and waste management are fundamental components of the financial performance of buildings and also tenant satisfaction. These factors are modelled into our financial models quarterly. EG will engage consultants to assess environmental factors before deal execution.

We currently do not have a materiality threshold for ESG issues. However, when issues are identified, we will assess the risks and opportunities and determine whether it warrants either investigating further or dismissing. Where we identify ESG issues which can be improved in our due diligence process, we take this as an opportunity to implement our skills in this area and improve the building's performance as opposed to dismissing the investment.

Some examples of ESG initiatives which EG undertakes are:

- Investigation into viability of solar panel installations
- Energy site audits for leakage of power usage

- Assessment of employment in the community
- Preserving heritage
- Improving building efficiency (electricity and water usage).

**PR 04.3**

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.

Environmental

Environmental example 1, select one

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply, Flooding, GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other
- Flooding
- GHG emissions



Environmental example 2, select one

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply, Flooding, GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other
- Flooding
- GHG emissions

Environmental example 3, select one

- Climate change adaptation
  - Contamination
  - Energy efficiency
  - Energy supply, Flooding, GHG emissions
  - Indoor environmental quality
  - Natural hazards
  - Resilience
  - Transportation
  - Water efficiency
  - Waste management
  - Water supply
  - Other
  - Other
  - Flooding
  - GHG emissions
- Social

Social example 1, select one

- Building safety and materials
- Health, safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Social example 2, select one

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Social example 3, select one

- Building safety and materials
  - Health, Safety and wellbeing
  - Socio-economic
  - Accessibility
  - Affordable Housing
  - Occupier Satisfaction
  - Other
  - Other
  - Other
- Governance

Governance example 1, select one

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Governance example 2, select one

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Governance example 3, select one

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

No

<b>PR 04.4</b>	Additional information. [Optional]
----------------	------------------------------------

There are ESG risks associated with every investment. During due diligence, we consider not only the substantive impacts of these risks but also the potential reputational risks for investors and EG if these risks were to be realised. It should be noted, however, that industry segments or businesses facing high ESG risk are not within our mandates and investors in each of our funds have veto rights. These risks are discussed in our Review/Investment Committee process. We have a 122 due diligence checklist which we complete prior to the acquisition of an asset and 14 of these items relate to ESG considerations. ESG risks and opportunities are also identified and reported on in investment proposals submitted to fund investors.

<b>PR 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------	--------------

<b>PR 06.1</b>	Indicate if ESG issues impacted your property investment selection process during the reporting year.
----------------	---

- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

<b>PR 06.2</b>	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
----------------	---

- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

### Selection, appointment and monitoring third-party property managers

<b>PR 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
--------------	------------------	---------------	----------------------	--------------

<b>PR 07.1</b>	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
----------------	--

Yes

<b>PR 07.2</b>	Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.
----------------	---

- Selection process of property managers incorporated ESG issues

#### Types of actions

- Request explanation of how ESG is effectively integrated, including inquiries about governance and processes
- Request track records and examples of how the manager implements ESG in their asset and property management
- Discuss property level out-performance opportunities through greater integration of ESG criteria
- Request explanation of engaging stakeholders on ESG issues
- Other, explain

#### Coverage

- >75% to 100%
  - >50% to 75%
  - <50%
- Contractual requirements when appointing property managers includes ESG issues

#### Types of actions

- Include clear and detailed expectations for incorporating ESG
- Require dedicated ESG procedures in all relevant asset and property management phases
- Clear ESG reporting requirements
- Clear ESG performance targets
- Other, explain

#### Coverage

- >75% to 100%
  - >50% to 75%
  - <50%
- Monitoring of property managers covers ESG responsibilities and implementation

#### Types of actions

- Performance against quantitative and material environmental / resource targets over specified timeframe.
- Performance against quantitative and material environmental / resource targets against relevant benchmarks
- Performance against quantitative and qualitative targets to address social impacts of the portfolio/investment,
- Other, explain

	Coverage
--	----------

- >75% to 100%
- >50% to 75%
- <50%

No

<b>PR 07.3</b>	Provide a brief description of your organisations selection, appointment and monitoring of third party property managers and how they contribute to the management of ESG issues for your property investments.
----------------	---

EG's Asset Management Committee meets on a fortnightly basis to discuss the progress of our current investments (including discussions on ESG) and conduct oversight over the asset, including the performance of third-party property managers. Our asset management team is trained on ESG matters and therefore incorporates an analysis of ESG factors when considering the performance of third-party property managers.

EG has stipulated ESG reporting requirements in relation to electricity, gas and water usage in all of its new property management agreements.

## Post-investment (monitoring and active ownership)

### Overview

<b>PR 08</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 2</b>
--------------	------------------	---------------	----------------	--------------

<b>PR 08.1</b>	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
----------------	---

Yes

<b>PR 08.2</b>	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
----------------	--

- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and major renovations.
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

Ongoing management and oversight of assets

<b>PR 08.3</b>	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.
----------------	---

EG incorporates ESG issues throughout the entire lifecycle of the investment process. Any risks, including ESG risks, identified in our due diligence process for assets acquisitions are included in our Investment Proposals to the Investment Committee. After acquisition, we continue to monitor these risks and report them quarterly to investors and Investment Committee members.

All assets are closely and actively monitored and managed for performance and compliance. An EG asset manager is dedicated to overseeing the performance and compliance of the asset. The asset manager is responsible for reporting all aspects of the day-to-day operation of the asset. This includes ensuring the

asset is complying with all relevant environmental standards while seeking to improve its performance wherever possible. The asset manager is responsible for ensuring all relevant stakeholders are informed and consulted with on an ongoing basis, with feedback incorporated into the management of the asset. This provides a transparent system to safeguard that the asset is performing at its optimal level while ensuring ESG standards are met and where possible exceeded.

ESG risks and opportunities are considered throughout the investment lifecycle of each asset, and initiatives are designed and implemented to improve ESG outcomes. One example is that for the majority of EG assets, external consultants are appointed to assist with designing measures that improve building efficiency (electricity and water usage). For EG developments, we also have proactive and transparent community engagement throughout the planning and construction phases to determine what identify ESG issues and opportunities.

EG incorporates the following active management tools to identify and manage ESG risks:

- NABERS environmental ratings are undertaken for applicable assets. This can often be a key feature of the asset strategy.
- Performance monitoring for electricity and water consumption where possible.
- Lifecycle assessments of plant and equipment to understand the current state of assets to maximise energy efficiency and reduce carbon emissions.
- Site specific environmental and OH&S risk assessments.
- Encouraging high levels of tenant interaction to monitor tenant satisfaction.

EG is also focused on achieving social objectives through its developments, including creating a sense of community, retaining heritage, creating public spaces and providing community amenities.

No

## Property monitoring and management

PR 09	Mandatory	Public	Core Assessed	PRI 2,3
-------	-----------	--------	---------------	---------

**PR 09.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

**PR 09.2**

Indicate which ESG targets your organisation and/or property managers typically set and monitor

- Environmental

Target/KPI	Progress Achieved
<p>HISOT assets are subject to improvements in NABERS rating (average 2 star uplift targeted)</p> <p>Reduce energy usage of fund assets</p> <p>Reduce water usage of fund assets</p>	<p>First three assets have been acquired, and measures are now being implemented to ensure that they both achieve 2 star NABERS uplifts.</p> <p>Assets acquired are on track to achieve target before disposal.</p> <p>Assets acquired are on track to achieve target before disposal.</p>

Social

Target/KPI	Progress Achieved
<p>Retain heritage when undertaking development</p> <p>Provide public space</p> <p>Undertake community engagement</p>	<p>All heritage value items have been retained whilst undertaking development and conservation plans have been put in place.</p> <p>Created 5,000+ sqm of publicly accessible open space which enhanced the streetscap of EG's Summer Hill development.</p> <p>Regular community engagement, liaison and reporting including: town hall meetings, workshops and community initiatives such as "meet the neighbours" community events, car and window cleaning</p>

Governance

Target/KPI	Progress Achieved
<p>PRISMS risk assessment report</p> <p>Due diligence checklist</p> <p>Regulatory compliance</p>	<p>PRISMS risk assessment report completed for all assets acquired.</p> <p>Checklist completed for all acquisitions.</p> <p>Compliance policies updated and complied with.</p>

We do not set and/or monitor against targets

## Property developments and major renovations

PR 11	Mandatory	Public	Core Assessed	PRI 2
-------	-----------	--------	---------------	-------

PR 11.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.
---------	--

- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)



<b>PR 11.2</b>	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.
----------------	---

- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- Energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Health and wellbeing of residents
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

<b>Occupier engagement</b>				
----------------------------	--	--	--	--

<b>PR 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
--------------	------------------	---------------	----------------------	--------------

<b>PR 12.1</b>	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- >90% of occupiers
- 50-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

<b>PR 12.2</b>	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Health and wellbeing of residents
- Offer green leases
- Other, specify

Provision of route map to nearest public transport for tenants in all EG assets.