



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for a material or ESG issue <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via internal staff	
Collaborative engagements	Collaborative engagements	<input type="checkbox"/> To support investment decision-making in a company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or ESG issue <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via collaborative engagements	
Service provider engagements	Service provider engagements	<input type="checkbox"/> To support investment decision-making in a company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or ESG issue <input type="checkbox"/> Other: specify _____ <input type="checkbox"/> We do not engage via service providers	

# RI TRANSPARENCY REPORT

## 2018

Pengana Capital Group

## 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 2018 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	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	🔒	n/a							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
OO PE 01	Breakdown of investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership	🔒	n/a							✓
OO PR 01	Breakdown of investments	🔒	n/a							✓
OO PR 02	Breakdown of assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of investments	🔒	n/a							✓
OO INF 02	Breakdown of assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure	🔒	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 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	✓	Private	✓						
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 14	Long term investment risks and opportunity	✓	Private	✓						
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	✓	Public							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public							✓
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Measurement of financial and ESG outcomes of ESG incorporation	✓	Private	✓						
LEI 14	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	🔒	n/a		✓					
LEA 12	Engagement methods	✓	Private		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 14	Examples of ESG engagements	✓	Private		✓					
LEA 15	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 16	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 17	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 18	Confirmation of votes	✓	n/a		✓					
LEA 19	Securities lending programme	✓	Private		✓					
LEA 20	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 21	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 22	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 23	Shareholder resolutions	✓	Private		✓					
LEA 24	Examples of (proxy) voting activities	✓	Private		✓					
LEA End	Module confirmation page	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01.1	Assurance, verification, or review	✓	Public							✓
CM1 01.2 & 01.8	Assurance of this year's PRI data	✓	Public							
CM1 01.3 & 01.9	Assurance of last year's PRI data	✓	Public							✓
CM1 01.4, 10-12	Other confidence building measures	✓	Public							✓
CM1 01.5	External assurance	🔒	n/a							✓
CM1 01.6	Assurance or internal audit	🔒	n/a							✓
CM1 01.7	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

# Pengana Capital Group

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

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## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

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

Execution and advisory services

Hedge funds

Fund of hedge funds

OO 01.3

Additional information. [Optional]

PENGANA CAPITAL GROUP ('PENGANA') IS AN ASX LISTED DIVERSIFIED FUNDS MANAGEMENT GROUP SPECIALISING IN GLOBAL AND AUSTRALIAN LISTED EQUITIES, WITH DISTINCT INVESTMENT STRATEGIES THAT AIM TO DELIVER SUPERIOR RISKADJUSTED RETURNS TO INVESTORS.

Founded in 2003 and headquartered in Sydney, with offices in Melbourne and Singapore, we have investment teams based in Sydney, Melbourne, Singapore, Chicago, Boston and London. On 1st June 2017, Pengana merged its business with Hunter Hall International Limited.

Pengana's premium investment products employ active strategies with non-benchmark mandates, giving our investment teams the freedom to invest in their best ideas. We have a proud history of employing leading in-house investment teams to manage our investment funds and partnering with exceptional investment managers around the world, to ensure that our clients have access to the highest calibre investment teams in their category.

Our investment managers are equity partners in their individual businesses, and as such their goals are completely aligned with those of our investors. While each investment team has their own investment strategy and philosophy, they are united by our collective belief in detailed fundamental company analysis and benchmark unaware, active management.

For investors seeking responsible investment solutions that also meet their financial goals, Pengana offers a range of products that allow investors to align their portfolios with their principles without compromising their investment returns.

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

47

<b>OO 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

<b>OO 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway/Peering</b>	<b>General</b>
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**OO 04.1** Indicate the year end date for your reporting year.

31/12/2017

**OO 04.2** Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		3	469	081	130
Currency	AUD				
Assets in USD		2	635	804	113

<b>OO 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**OO 06.1**

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

 as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	91.65	2.95
Fixed income	0	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	1.69	3.72
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	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].

**Asset class implementation gateway indicators****OO 10****Mandatory****Public****Gateway****General****OO 10.1**

Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We require our external managers to engage with companies on ESG factors on our behalf.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf.
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11	Mandatory	Public	Gateway	General
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**OO 11.1** Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Hedge funds

- We address ESG incorporation.
- We do not do ESG incorporation.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<div style="background-color: #0072bc; color: white; padding: 5px;">Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</div> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Hedge funds	<div style="background-color: #0072bc; color: white; padding: 5px;">Hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</div> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>

**OO 11.4**

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

Our inclusion of responsible investing considerations depends on the fund mandate. If the fund has an ESG or ethical mandate we will select a manager with the appropriate ESG strategy to manage that fund. Please see below for the details of the three externally managed funds and their incorporation of ESG factors:

**Pengana WHEB Sustainable Impact Fund**

The Pengana WHEB Sustainable Impact Fund aims to generate capital growth over the medium to longer term.

Pengana has appointed UK-based WHEB Asset Management LLP (WHEB) to manage the Fund. WHEB is a global leader in sustainable investing with a focus on the opportunities created by the transition to more sustainable, resource efficient and energy efficient economies.

WHEB have identified critical environmental and social challenges facing the global population over the coming decades. WHEB invests in a diverse portfolio of global companies providing solutions to these sustainability challenges via nine sustainable investment themes - five of these are environmental (cleaner energy, environmental services, resource efficiency, sustainable transport and water management) and four are social (education, health, safety and well-being).

The portfolio is actively managed and stock selection is based on deep research integrating financial factors with environmental, social and governance factors.

**Pengana Global Small Companies Fund (does not have an ethical mandate).**

The Pengana Global Small Companies Fund is an actively managed portfolio of global small and mid-cap stocks. The Fund's investments are managed by specialist US-based manager Lizard Investors LLC, who create and actively manage portfolios not typically owned by large institutions. The investment manager uses a value-oriented approach to identify and invest in quality businesses that create significant value but are mispriced, overlooked, or out of favour.

ESG factors are considered as part of the bottom-up analysis undertaken on each stock and form part of the qualitative assessment. They are seen primarily as a risk management tool, with ESG issues considered for both their short term and long term impact and hence their materiality to a stock.

Companies with poor corporate governance, social or environmental histories are marked down, however under our qualitative analysis and all else being equal, would be required to show considerable more upside than those without a poor history for us to invest in them.

A consideration of corporate governance is critical to every investment decision and a company without a well thought out policy is qualitatively marked down under our process.

**Pengana PanAgora Absolute Return Global Equity Fund (does not have an ethical mandate)**

The Fund is managed by PanAgora Asset Management which is based in Boston Massachusetts. The Fund's objective is to seek attractive absolute returns by identifying and exploiting multiple inefficiencies that may exist in global equity markets. The Fund employs a long/short equity strategy which aims to construct a portfolio that is generally neutral to market movements. As such the performance of the investment strategy is largely independent of the market's performance. The Fund seeks to achieve its objective by using a diversified set of strategies that have low correlation to one another and which are designed to capitalise on long-term, intermediate-term and short-term inefficiencies.

PanAgora does not take labour standards or environmental, social or ethical considerations into account when making investment decisions for the Fund.

Corporate governance, however, is considered by PanAgora's models within the long-term portfolio, where the fundamental strengths and weaknesses of a company are reviewed (i.e. accounting practices, market-specific accounting regulations, the impact of such regulatory requirements and board compensation) within applicable markets.

**OO 12****Mandatory****Public****Gateway****General****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

- Organisational Overview
- Strategy and Governance

## RI implementation directly or via service providers

### Direct - Listed Equity incorporation

- Listed Equity incorporation

### Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

## RI implementation via external managers

### Indirect - Selection, Appointment and Monitoring of External Managers

- Listed Equities

## Closing module

- Closing module

# Pengana Capital Group

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

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## 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 type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input checked="" 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 and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)



**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.

(Note: this section covers the investment principles of the Pengana International equity strategy. Most of the assets managed by Pengana that follow an ethical mandate are managed under this strategy.)

Fundamentally we believe:

- Listed equities are the best path towards healthy returns with moderate risk
- Risk and return need to be married and should not be managed separately
- Stock selection is best achieved through the application of logical, common sense criteria that are widely proven to work
- The portfolio is a mosaic of the 30-50 ideas that work best together, not the 30-50 best ideas
- Conviction is good. Conviction with sensible diversification and discipline is better
- Disciplined flexibility is essential - knowing what to look for within a broad opportunity set
- Not to confuse data accumulation with analysis - our competitive advantage lies in correctly identifying and understanding the key drivers

**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]

(Note: this section covers the investment principles of the Pengana International equity strategies that are managed with ethical mandates.)

The Pengana international equity strategies that have ethical mandates use a negative ethical screen, and seek to avoid investing in businesses that are, in our opinion, currently involved in activities that are unnecessarily harmful to people, animals or the environment. These activities include:

- the manufacture or sale of weapons and weapons components
- tobacco manufacture
- gambling outlets or systems
- intensive animal farming
- animal testing for cosmetics
- activities that give rise to human rights violations
- unremediated destruction of the environment
- uranium mining and nuclear reactors
- fossil fuel exploration, production, refining, storage and transportation.

ESG factors are also considered as part of the bottom-up analysis undertaken on each stock and form part of the qualitative assessment. They are seen primarily as a risk management tool, with ESG issues considered for both their short term and long term impact and hence their materiality to a stock. Pengana employs a specialist ESG research database to assist with company analysis, business involvement and ESG related controversies.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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**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.pengana.com/about-us/sustainable-policies/>

- Attachment (will be made public)

- Screening / exclusions policy

URL/Attachment

- URL

URL

<https://www.pengana.com/about-us/sustainable-policies/>

- Attachment (will be made public)

- 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.

- Your organisation’s definition of ESG and/or responsible investment and it’s relation to investments

URL/Attachment

- URL

URL

<https://www.pengana.com/about-us/sustainable-policies/>

- Attachment

- We do not publicly disclose any investment policy components

**SG 02.3**

Indicate if your organisation’s investment principles, and overall investment strategy is publicly available

- Yes

URL

<https://www.pengana.com/our-funds/>

No

**SG 02.4**

Additional information [Optional].

**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.

Conflicts are managed in accordance with the company's Conflict of Interest Policy and regulatory obligations (Corporations Act and AFSL license requirements).

Employees, including investment professionals are required to notify the COO or one of the other Responsible Managers of any actual or potential Conflicts of Interest. The COO assesses each conflict and makes a determination on whether the conflict is manageable or unmanageable.

With respect to manageable conflicts the COO will communicate the conditions on how to proceed. Unmanageable conflicts must be avoided.

Conflicts are monitored and reported to the Board of the Responsible Entity on at least a quarterly basis.

No

## 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]

## Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), 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
- ESG portfolio manager
- Investment analysts
- Dedicated responsible investment staff
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

<b>SG 07.2</b>	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
----------------	---

It is the investment team's responsibility to ensure compliance with the RI policy. This is monitored by the CIO with assistance from a third party ESG research provider that conducts an annual review of the portfolio to ensure the investee companies pass our negative screen. We also conduct reviews of individual securities on an adhoc basis if there are concerns about the whether a company will pass the negative screen.

The CIO monitors all mandate breaches, including breaches of the negative ethical screen applied by the International equity strategies. If breaches occur they are discussed between the CIO and the relevant team and corrective action taken. Persistent breaches or unresolved breaches are included in the Breach Register which is submitted to the Compliance Committee. All Compliance Committee papers are then submitted to the Responsible Entity boards.

<b>SG 07.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
----------------	--

Number
--------

6

<b>SG 07.4</b>	Additional information. [Optional]
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Note that the number provided in SG07.3 refers to our Portfolio Managers who apply the responsible investment implementation into their stock selection process. the individuals with oversight responsibility have similar responsibility across the whole organisation and are therefore not included here.

## Promoting responsible investment

<b>SG 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 09.1</b>	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]

**Member**

- 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

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]

Member.

- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- 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 Investment Association of Australasia (RIAA)

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]

Founding member of RIAA.

- 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
- 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
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

## Description

Count Stars Conference  
Responsible Investment Conference 2017

## Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- 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

Investor Daily - Sustainability as a Source of Growth



### 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)
- 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

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

SG 13.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

## Asset class implementation not reported in other modules

SG 17	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 17.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
---------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - ESG incorporation	<p>Pengana has appointed UK-based WHEB Asset Management LLP (WHEB) to manage the Fund. WHEB is a global leader in sustainable investing with a focus on the opportunities created by the transition to more sustainable, resource efficient and energy efficient economies.</p> <p>WHEB have identified critical environmental and social challenges facing the global population over the coming decades. WHEB invests in a diverse portfolio of global companies providing solutions to these sustainability challenges via nine sustainable investment themes - five of these are environmental (cleaner energy, environmental services, resource efficiency, sustainable transport and water management) and four are social (education, health, safety and well-being).</p> <p>The portfolio is actively managed and stock selection is based on deep research integrating financial factors with environmental, social and governance factors.</p>
Listed equities - engagement	<p>WHEB engage directly with companies and other stakeholders in order to:</p> <ol style="list-style-type: none"> <li>1. Generate additional insights into company practice or a particular issue, which in turn feeds into the investment decisions; and/or</li> <li>2. Exercise influence in order to improve corporate management and performance, or the direction of future policy in order to promote sustainable development and, to create favourable operating environments for the companies invested in.</li> </ol> <p>The engagement activity is typically structured as proactive initiatives that are aimed at long-term issues affecting whole sectors and/or companies in the investment universe. In addition, WHEB also conduct a range of 'reactive' engagement activity in response to specific issues at individual companies.</p>
Listed equities - (proxy) voting	<p>WHEB seek to vote on all active positions in the fund and use a proxy voting agent to assist in scrutinizing ballots at company meetings. Where they vote against company management or abstain, they always write to the company in question explaining their reasons for doing so and seeking further engagement as appropriate.</p>

## Communication

SG 19	Mandatory	Public	Core Assessed	PRI 6
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SG 19.1	Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
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Listed equity - Engagement
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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> <ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Details on the overall engagement strategy</li><li><input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals</li><li><input type="checkbox"/> Number of engagements undertaken</li><li><input type="checkbox"/> Breakdown of engagements by type/topic</li><li><input type="checkbox"/> Breakdown of engagements by region</li><li><input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives</li><li><input type="checkbox"/> Examples of engagement cases</li><li><input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)</li><li><input type="checkbox"/> Details on whether the provided information has been externally assured</li><li><input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement</li><li><input type="checkbox"/> Other information</li></ul>
	<p><b>Frequency</b></p> <ul style="list-style-type: none"><li><input type="checkbox"/> Quarterly or more frequently</li><li><input type="checkbox"/> Biannually</li><li><input type="checkbox"/> Annually</li><li><input type="checkbox"/> Less frequently than annually</li><li><input checked="" type="checkbox"/> Ad-hoc/when requested</li></ul>

Listed equity – (Proxy) Voting

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 type="radio"/> Explain all voting decisions</p> <p><input checked="" type="radio"/> Explain some voting decisions</p> <p><input type="radio"/> Only explain abstentions and votes against management</p> <p><input type="radio"/> No explanations provided</p>
	<p><b>Frequency</b></p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input checked="" type="checkbox"/> Ad hoc/when requested</p>

**Listed equity - Incorporation**

**Do you disclose?**

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

<b>Disclosure to clients/beneficiaries</b>	
	<p><b>Disclosure to clients/beneficiaries</b></p> <p><input type="radio"/> Broad approach to ESG incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used</p>
	<p><b>Frequency</b></p> <p><input 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 checked="" type="checkbox"/> Ad-hoc/when requested</p>

# Pengana Capital Group

## Reported Information

### Public version

### Direct - Listed Equity Incorporation

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## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 01	Mandatory	Public	Core Assessed	PRI 1
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>LEI 01.1</b>	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)
-----------------	--

#### ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening and integration strategies

Percentage of active listed equity to which the strategy is applied	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <span style="margin-left: 5px;">%</span> </div> <div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <span style="margin-left: 5px;">23</span> </div>
---	---

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Percentage of active listed equity to which no strategy is applied	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <span style="margin-left: 5px;">%</span> </div> <div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <span style="margin-left: 5px;">77</span> </div>
--	---

	Total actively managed listed equities
--	--

100%

<b>LEI 01.2</b>	Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.
-----------------	---

Pengana primarily applies an ethical screening policy to its ethical portfolios.

Good corporate governance is one of the key elements we assess, when applying our fundamental research process to the companies we invest in. Within our investment process, we favour those companies that can demonstrate a transparent approach to financial and corporate governance related disclosure, particularly

where they are listed in emerging markets. In our view, good governance is a key driver of generating shareholder value over the long term.

We believe incorporating ESG factors into the investment decisions will result in superior performance over the long term.

## (A) Implementation: Screening

LEI 04	Mandatory	Public	Descriptive	PRI 1
--------	-----------	--------	-------------	-------

**LEI 04.1** Indicate and describe the type of screening you apply to your internally managed active listed equities.

### Type of screening

- Negative/exclusionary screening

#### Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

#### Description

Specifically, Pengana's 'negative screen' seeks to avoid investment in companies that derive operating revenues from direct and material business involvement in the following sectors: -

- the manufacture or sale of weapons and weapons components
- tobacco manufacture
- gambling outlets or systems
- intensive animal farming
- animal testing for cosmetics
- activities that give rise to human rights violations
- unremediated destruction of the environment
- uranium mining and nuclear reactors
- fossil fuel exploration, production, refining, storage and transportation

- Positive/best-in-class screening
- Norms-based screening

**LEI 04.2**

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The screening process for the Pengana International Fund - Ethical was established 24 years ago and the Manager's ethical investment policy has evolved and been refined over the last 17 years. The negative screen has remained relatively consistent with the last major change being the implementation of a fossil fuel screen in 2014.

Any change requires board approval and clients are notified via an update to the website, email or direct mail.

**LEI 05**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1**

**LEI 05.1**

Indicate which processes your organisation uses to ensure screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify
- None of the above

**LEI 05.2**

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 05.3**

Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

### (C) Implementation: Integration of ESG issues

**LEI 08**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1**



**LEI 08.1**

Indicate which ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

ESG issues	Proportion impacted by analysis
Environmental	<div style="display: flex; align-items: center;"> <div style="width: 10%; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border-left: 1px solid black; padding-left: 5px; flex-grow: 1;">Environmental</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>
Social	<div style="display: flex; align-items: center;"> <div style="width: 10%; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border-left: 1px solid black; padding-left: 5px; flex-grow: 1;">Social</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>
Corporate Governance	<div style="display: flex; align-items: center;"> <div style="width: 10%; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border-left: 1px solid black; padding-left: 5px; flex-grow: 1;">Corporate Governance</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>

# Pengana Capital Group

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

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## Engagement

### Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

LEA 01.1	Indicate whether your organisation has a formal engagement policy.
----------	--

- Yes  
 No

LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
--------	-----------	--------	---------	-----------

LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
----------	--

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers  <div style="background-color: #0070C0; color: white; padding: 5px; border: 1px solid white;">Please specify why your organisation does not engage via service providers.</div> <p>We do not use service providers</p>

### Process

## Process for engagements run internally

LEA 03	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

**LEA 03.1** Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

- Yes  
 No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

**LEA 04.1** Indicate if you define specific objectives for your engagement activities.

- Yes  
 We do not define specific objectives for engagement activities carried out by internal staff.

**LEA 04.2** Indicate if you monitor the actions that companies take during and following your engagements activities carried out by internal staff.

- Yes
- Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases
  - We do not monitor the actions that companies take following engagement activities carried out by internal staff.

**LEA 04.3** Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify

other description

Ongoing monitoring and revisit in subsequent meetings

- We do not monitor and evaluate progress of engagement activities carried out by internal staff

## Process for engagements conducted via collaborations

LEA 05	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

**LEA 05.1** Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

- Yes  
 No

LEA 06	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

**LEA 06.1** Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes  
 We do not define specific objectives for engagement activities carried out collaboratively.

**LEA 06.2** Indicate if you monitor the actions companies take during and following your collaborative engagements.

- Yes
  - Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases We do not monitor the actions that companies take following engagement activities carried out collaboratively

**LEA 06.3** Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities.

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify
- We do not monitor and evaluate progress of engagement activities carried out by internal staff

## General processes for all three groups of engagers

LEA 09	Voluntary	Public	Additional Assessed	PRI 1,2
--------	-----------	--------	---------------------	---------

**LEA 09.1** Indicate if insights gained from your engagements are shared with your internal or external investment managers.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

**LEA 10** **Mandatory** **Public** **Gateway** **PRI 2**

**LEA 10.1** Indicate if you track the number of your engagement activities.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input checked="" type="radio"/> We do not track
Collaborative engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input checked="" type="radio"/> We do not track and cannot estimate our engagements

**(Proxy) voting and shareholder resolutions**

**Overview**

**LEA 15** **Mandatory** **Public** **Core Assessed** **PRI 1,2,3**

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

**LEA 15.1** Indicate whether your organisation has a formal voting policy.

- Yes
- No

**Process**

LEA 16	Mandatory	Public	Descriptive	PRI 2
--------	-----------	--------	-------------	-------

**LEA 16.1** Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.

Based on

- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

**LEA 16.2** Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

We do not use service providers

LEA 20	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

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

**LEA 20.1** Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
  - Votes for selected markets
  - Votes relating to certain ESG issues
  - Votes for significant shareholdings
  - Votes for companies we are engaging with
  - On request by clients
  - Other
    - If our shareholding is sufficiently meaningful
- Neither we nor our service provider raise concerns with companies ahead of voting

<b>LEA 20.2</b>	Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.
-----------------	---

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**Outputs and outcomes**

<b>LEA 21</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
---------------	------------------	---------------	----------------------	--------------

<b>LEA 21.1</b>	For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
-----------------	--

- We do track or collect this information
- We do not track or collect this information

<b>LEA 22</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
---------------	------------------	---------------	----------------------------	--------------

<b>LEA 22.1</b>	Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.
-----------------	---

- Yes, we track this information
- No, we do not track this information



# Pengana Capital Group

## Reported Information

### Public version

### Assurance

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## Assurance

CM1 01.1	Mandatory	Public	Core Assessed	General
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
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- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
  - Whole PRI Transparency Report has been internally verified
  - Selected data has been internally verified
- Other, specify
- None of the above

CM1 01.2 & 01.8	Mandatory	Public	Descriptive	
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CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?
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- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 01.3 & 01.9	Mandatory	Public	Descriptive	General
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CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
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- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

CM1 01.4, 10-12	Mandatory	Public	Descriptive	General
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CM1 01.4

We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings

CM1 01.12

Describe the process of external/third party ESG audit of holdings, including which data has been assured.

Description of process (including what data has been assured)

Pengana engages an independent ESG researcher to conduct an annual review of companies newly introduced to the Fund portfolio since the last review. The basis for the evaluation is the ethical policy as summarised.

The outcome of the review is a report highlighting investments which may not be compliant with the ethical investment policy. The report is considered by the Investment Team and follow-up analysis of possible non-compliant investments may be undertaken.

Pengana has final discretion on whether or not to divest non-compliant investments. Where it is decided to divest, the asset is disposed as soon as practicable, as determined on a case-by-case basis, whilst endeavouring to realise the best price it reasonably can, taking into account liquidity and other market forces.

On occasion Pengana may choose to engage with an investee company rather than divest as a better way to effect change.

- Other, specify
- None of the above

CM1 01.7

Mandatory

Public

Descriptive

General

CM1 01.7

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

**Who has conducted the verification**

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)