



RI TRANSPARENCY REPORT

2020

HOSTPLUS

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 reporting period specified above. 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.

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.

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| | | | |
|-------|-----------|-----------------|---------|
| OO 01 | Mandatory | Gateway/Peering | General |
|-------|-----------|-----------------|---------|

OO 01.1 Select the type that best describes your organisation or the services you provide.

- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

| | | | |
|-------|-----------|---------|---------|
| OO 02 | Mandatory | 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).

292

| | | | |
|-------|-----------|-------------|---------|
| OO 03 | Mandatory | 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 | Gateway/Peering | General |
|-------|-----------|-----------------|---------|

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

31/12/2019

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

Total AUM

52,477,000,000 AUD

35547899336 USD

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|-------|--|---------|---------|
| OO 05 | Mandatory to Report, Voluntary to Disclose | Gateway | General |
|-------|--|---------|---------|

OO 05.1 Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes and investment strategies:

| | Internally managed (%) | Externally managed (%) |
|---------------------|------------------------|------------------------|
| Listed equity | 0 | >50% |
| Fixed income | 0 | <10% |
| Private equity | 0 | <10% |
| Property | 0 | 10-50% |
| Infrastructure | 0 | <10% |
| Commodities | 0 | 0 |
| Hedge funds | 0 | <10% |
| Fund of hedge funds | 0 | 0 |
| Forestry | 0 | 0 |

| | | |
|--------------------------|---|------|
| Farmland | 0 | 0 |
| Inclusive finance | 0 | 0 |
| Cash | 0 | <10% |
| Money market instruments | 0 | 0 |
| Other (1), specify | 0 | 0 |
| Other (2), specify | 0 | 0 |

| | | | |
|-------|-----------|-------------|---------|
| OO 06 | Mandatory | Descriptive | General |
|-------|-----------|-------------|---------|

| | |
|---------|---|
| OO 06.1 | Select how you would like to disclose your asset class mix. |
|---------|---|

- as percentage breakdown
- as broad ranges

| | |
|---------|---|
| 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.

| | | | |
|-------|--|---------|---------|
| OO 07 | Mandatory to Report, Voluntary to Disclose | Gateway | General |
|-------|--|---------|---------|

Private

| | | | |
|-------|--|---------|---------|
| OO 08 | Mandatory to Report, Voluntary to Disclose | Peering | General |
|-------|--|---------|---------|

Private

| | | | |
|-------|-----------|---------|---------|
| OO 09 | Mandatory | Peering | General |
|-------|-----------|---------|---------|

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

92

| |
|-------------------|
| Developed Markets |
|-------------------|

8

| |
|------------------|
| Emerging Markets |
|------------------|

0

| |
|------------------|
| Frontier Markets |
|------------------|

0

| |
|---------------|
| Other Markets |
|---------------|

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|-------|-----------|---------|---------|
| OO 10 | Mandatory | Gateway | General |
|-------|-----------|---------|---------|

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|---------|---|
| 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

| |
|-------------------------------|
| Fixed income SSA – engagement |
|-------------------------------|

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We require our external managers to engage with SSA bond issuers on ESG factors on our behalf.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

| |
|---|
| Fixed income Corporate (financial) – 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. Please explain why you do not.

Fixed income Corporate (non-financial) – 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. Please explain why you do not.

Fixed income Corporate (securitised) – 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. Please explain why you do not.

| | | | |
|-------|-----------|---------|---------|
| OO 11 | Mandatory | Gateway | General |
|-------|-----------|---------|---------|

OO 11.2 Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

| Asset class | ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
|--|--|
| Listed equity | <p style="background-color: #0070C0; color: white; padding: 2px;">Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Fixed income - SSA | <p style="background-color: #0070C0; color: white; padding: 2px;">Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Fixed income - corporate (financial) | <p style="background-color: #0070C0; color: white; padding: 2px;">Fixed income - corporate (financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Fixed income - corporate (non-financial) | <p style="background-color: #0070C0; color: white; padding: 2px;">Fixed income - corporate (non-financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Fixed income - securitised | <p style="background-color: #0070C0; color: white; padding: 2px;">Fixed income - securitised - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |

| | |
|----------------|--|
| Private equity | <p>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Property | <p>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Infrastructure | <p>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Hedge funds | <p>Hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Cash | <p>Cash - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |

OO 11.4 Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

Hostplus' investment advisor conducts all research and selection of investment managers for the Fund. ESG assessment forms part of the research and selection process and ESG considerations are taken into account at the time of appointment of each manager. Where relevant, the Trustee may also apply responsible investing requirements within Investment Management Agreements and other Investment documentation. The Trustee then monitors each investment manager, both quantitatively and qualitatively, with the assistance of the Fund's investment team and the investment advisor.

OO 12 Mandatory 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 | <input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance |
| RI implementation directly or via service providers | |
| Direct - Listed Equity active ownership | <input checked="" type="checkbox"/> Engagements <input checked="" type="checkbox"/> (Proxy) voting |
| RI implementation via external managers | |
| Indirect - Selection, Appointment and Monitoring of External Managers | <input checked="" type="checkbox"/> Listed Equities <input type="checkbox"/> Fixed income - SSA |

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private Equity
- Property
- Infrastructure

Closing module

- Closing module

| | | | |
|-----------|--|---------|---------|
| OO SAM 01 | Mandatory to Report, Voluntary to Disclose | Gateway | General |
|-----------|--|---------|---------|

Private

| | | | |
|-----------|--|--|--------|
| OO Checks | | | Checks |
|-----------|--|--|--------|

If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

| | |
|---------|---|
| 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. |
|---------|--|

| 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"/> Fiduciary (or equivalent) duties <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"/> Other, specify (1) <input type="checkbox"/> Other, specify(2) | <input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> 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. |
|---------|--|

The Fund's Investment Strategy is predicated upon the identification of investments that produce favourable risk-return characteristics. These investments are categorised into groupings of similar risk-return characteristics, labelled "asset classes". Provided that, as cohorts, these asset classes are sufficiently distinct in risk-return terms, especially in differing market environments, they can be combined into diversified portfolios to produce even more favourable risk-return characteristics, according to the fundamental tenets of modern portfolio theory.

While these risk-return benefits of diversification apply at the portfolio level, they can also apply within asset classes, and within individual mandates. Accordingly, to manage and mitigate these risks the Trustee seeks to diversify at the multi-asset class, intra-asset class and even at the manager and asset levels to maximise this diversification benefit.

In line with its investment strategy, and in order to protect and optimise the Fund's investments over the long-term, Hostplus assesses and manages risk as effectively as possible. In doing so, the Fund recognises the importance of considering environmental, social and governance (ESG) opportunities and risks in its investment decision-making processes. Hostplus believes that entities who prudently manage ESG opportunities and risks will deliver better long-term financial performance to their members.

| | |
|---------|--|
| 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] |
|---------|--|

Central to Hostplus' ESG approach is our preference for engagement over divestment from an asset class, industry, sector or company. We believe engagement is an effective strategy that allows Hostplus to use its ownership to help change behaviour, whereas divestment means losing influence. These stewardship activities are critical to the governance of our investments over the long-term.

No

| | |
|---------|------------------------------------|
| SG 01.6 | Additional information [Optional]. |
|---------|------------------------------------|

Hostplus' ESG Policy is part of its Investment Policies and Procedures Statement (IPPS), which forms an integral part of the investment governance framework of the fund.

Private

| | |
|---------|--|
| 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
https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en

Attachment (will be made public)
 Files: link

Screening / exclusions policy

| URL/Attachment |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment (will be made public) Files: link |

Engagement policy

| URL/Attachment |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment (will be made public) Files: link |

(Proxy) voting policy

| URL/Attachment |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment (will be made public) Files: link |

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 |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment 1022-ESG-POLICY_A4_18-FA-LR (8).pdf |

ESG incorporation approaches

| URL/Attachment |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment 1022-ESG-POLICY_A4_18-FA-LR (8).pdf |

Active ownership approaches

| URL/Attachment |
|--|
| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment 1022-ESG-POLICY_A4_18-FA-LR (8).pdf |

Reporting

| URL/Attachment |
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| <input checked="" type="checkbox"/> URL https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en |
| <input checked="" type="checkbox"/> Attachment 1022-ESG-POLICY_A4_18-FA-LR (8).pdf |

Climate change

| URL/Attachment |
|---|
| <input checked="" type="checkbox"/> URL |

<https://hostplus.com.au/super/about-us/investment-governance>

- Attachment
- 1022-ESG-POLICY_A4_18-FA-LR (8).pdf
- We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

In addition, we use ACSII's proxy voting recommendations which are based on ACSII's governance guidelines which can be found here: <https://acsi.org.au/images/stories/ACSIDocuments/ACSI-Governance-Guidelines-2019.pdf>

SG 03 Mandatory 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.

The bulk of Hostplus' policy on managing potential conflicts of interest in the investment process is summarised in the following components:

- Identification and disclosure of conflicts of interest;
- Mechanisms to identify and avoid particular conflicts of interest;
- Management and monitoring of conflicts of interest;
- Registers of relevant interests and relevant duties;
- Ongoing evaluation of conflicts of interest;
- Training.

Each component is discussed in detail within the policy which is reviewed and/or updated on a regular basis.

No

SG 04 Voluntary Descriptive General

Private

SG 05 Mandatory 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]

Hostplus recently appointed a Head of ESG. One of the first tasks of the new Head of ESG was to develop an ESG workplan. This was developed through a high-level review of Hostplus' current approach to ESG issues and consultation with members of management (including the Executive, Investments, Member Experience, and Risk and Compliance) regarding ESG priorities.

The 2020 ESG Workplan outlines the proposed approach to addressing ESG issues and priority activities within key pillars and thematic. Progress reporting is now being provided to the Board at each meeting (1- 2 monthly) against the 2020 ESG Workplan.

Hostplus' ESG Policy is reviewed on an annual basis and this provides a further opportunity to review objectives for responsible investment activities. The policy is not expected to materially change every year, however, given the constantly evolving ESG landscape, the Fund does occasionally change objectives for its responsible investment activities in order to positively evolve and to remain relevant in this space.

SG 06 Voluntary Descriptive General

Private

SG 07 Mandatory 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

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- 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

- 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
- Dedicated responsible investment staff
 - 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)
- 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.

The Hostplus Board retains ultimate responsibility for oversight of all aspects of its operational and investment decisions. The Board follows the investment approach which includes the Fund's commitment to ESG integration. The Board receives reporting at each meeting in relation to relevant ESG matters.

The Head of ESG, supported in implementation by other members of the Investments Team and external managers and service providers, has day-to-day responsibility for the Fund's responsible investment activities. These include:

- responsible investment policy maintenance and update
- prospective manager meetings and manager/asset due diligence incorporating ESG assessment
- current manager monitoring with respect to ESG considerations
- engagement with Hostplus' asset consultant
- managing company engagement and proxy voting, including retaining third party service providers
- preparation of responsible investment reports and internal communications
- pursuit of strategic initiatives including those related to climate change and the Sustainable Development Goals
- contributing to relevant industry groups and responsible investing signatory bodies.

The Head of ESG also attends responsible investment conferences, forums and signatory working group sessions and provides analysis of outcomes, trends, risks and opportunities to the Investments team and Hostplus' legal, risk and compliance teams. This ensures that best practice information and industry trends are shared across the Fund.

SG 07.3 Indicate the number of dedicated responsible investment staff your organisation has.

1

SG 07.4 Additional information. [Optional]

Hostplus recently appointed a Head of ESG.

Alongside our internal staff who manage responsible investment, we utilise ACSI's governance, research, engagement and proxy voting team to implement our responsible investment program.

| | | | |
|-----------------|---|--------------------|----------------|
| SG 07 CC | Mandatory to Report, Voluntary to Disclose | Descriptive | General |
| <i>Private</i> | | | |

| | | | |
|----------------|------------------|----------------------------|----------------|
| SG 08 | Voluntary | Additional Assessed | General |
| <i>Private</i> | | | |

| | | | |
|--------------|------------------|----------------------|----------------|
| SG 09 | Mandatory | 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.

- Principles for Responsible Investment

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

Moderate

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

Signatory to the Principles; attended the PRI conference; met with PRI representatives face-to-face and participated in PRI workshops.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors

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

Advanced

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

Hostplus CEO is a Board member and its Head of ESG is on the Member Council, the key governance and steering bodies for the organisation. Hostplus is involved in the policy-setting and research agenda; in a number collaborative company engagements; and advises on operational matters and core activities.

- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- 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)
- Green Bond Principles
- HKVCA: ESG Committee
- 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 Financial Action in the 21st Century
- 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

Australian Sustainable Finance Initiative

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

Moderate

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

Hostplus Head of ESG is a member of Working Group 1, focussed on mobilising capital to deliver on sustainability challenges and opportunities.

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

| | | | |
|---------|--|-------------|-------|
| SG 09.2 | Mandatory to Report, Voluntary to Disclose | Descriptive | PRI 1 |
|---------|--|-------------|-------|

Private

| | | | |
|-------|-----------|---------------|-------|
| SG 10 | Mandatory | 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

| Description |
|---|
| Provided input into the preparation of ACSI's Governance Guidelines which is a document that serves as a guide for ACSI's members for incorporating responsible investment practices. Also, enhanced the Fund's ESG policy and made it publicly available for the first time. |

| Frequency of contribution |
|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> 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

| Description |
|--|
| Encouraged the adoption of the PRI to a number of fund managers who are currently not signatories. |

| Frequency of contribution |
|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other |

- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

| Description |
|--|
| Representation on the Board and Member Council of ACSI |

| Frequency of contribution |
|---|
| <input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other |

Other, specify

No

| | | | |
|---------|-----------|---------------------|-----------|
| SG 11 | Voluntary | Additional Assessed | PRI 4,5,6 |
| Private | | | |

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

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

Yes, we use investment consultants

| | |
|---------|--|
| SG 12.2 | Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers. |
|---------|--|

We use investment consultants in our selection and appointment of external managers

| Asset class |
|--|
| <input checked="" type="checkbox"/> Listed Equity (LE) <input checked="" type="checkbox"/> Property (PR) <input checked="" type="checkbox"/> Other asset classes |

- We use investment consultants in our monitoring of external managers

| Asset class |
|---|
| <input checked="" type="checkbox"/> Listed Equity (LE) |
| <input checked="" type="checkbox"/> Property (PR) |
| <input checked="" type="checkbox"/> Other asset classes |

- We do not use investment consultants for selection, appointment and monitoring of external managers.

SG 12.3 Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants.

- Responsible investment is considered when evaluating investment consultants' investment beliefs, strategies and policies in the selection process.
- Responsible investment is considered when evaluating investment consultants' public commitment to, and promotion of, responsible investment in the selection process.
- Responsible investment is considered when reviewing investment consultants' approach to investment manager ratings, research and recommendations in the monitoring process.
- Consultants' responsibilities in terms of responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with the investment consultants.
- We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

SG 12.4 Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

- Custodial services
- Investment policy development
- Strategic asset allocation

Describe how responsible investment is incorporated

As part of an annual SSA review of our Balanced Option, which most of our membership and funds under management is invested in, we determine its overall investment profile based on a range of factors. Stress testing and scenario analysis forms part of this strategic review, which includes a climate change scenario analysis and stress testing. These are embedded in our investment governance framework and processes.

- Investment research

Describe how responsible investment is incorporated

Our investment consultant assesses a manager's ESG capabilities during the due diligence process. Managers must be in line with the peer group at a minimum to be recommended by the consultant. The consultant monitors managers on an ongoing basis through regular meetings that includes discussion of ESG related issues as they arise and monitoring of changes and developments in the managers' approach to ESG integration. In addition to this, the consultant requires the manager to report on ESG, proxy voting and engagement activities on a regular basis (quarterly for Australian equities, six monthly for global equities).

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

- No, we do not use investment consultants.

SG 13 **Mandatory** **Descriptive** **PRI 1**

SG 13.1 Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

As part of Hostplus' Investment Strategy Review, two climate change scenarios are considered (based on International Energy Agency (IEA) analysis). These are: the New Policies Scenario (NPS) and the Sustainable Development Scenario (SDS).

- No, our organisation does not currently carry out scenario analysis and/or modelling

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

We do not consider ESG issues in strategic asset allocation

| | | | |
|----------|--|---------------------|---------|
| SG 13 CC | Mandatory to Report, Voluntary to Disclose | Descriptive | General |
| Private | | | |
| SG 14 | Mandatory to Report, Voluntary to Disclose | Additional Assessed | PRI 1 |
| Private | | | |
| SG 14 CC | Voluntary | | General |
| Private | | | |
| SG 15 | Mandatory to Report, Voluntary to Disclose | Descriptive | PRI 1 |
| Private | | | |
| SG 17 | Mandatory | 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 | | |
|--|---|--|--|
| Fixed income - SSA | Hostplus requires its fixed income managers to take account of ESG considerations in all capital allocation decisions. | | |
| Fixed income - Corporate (financial) | Hostplus requires its credit managers to take account of ESG considerations in all capital allocation decisions. | | |
| Fixed income - Corporate (non-financial) | Hostplus requires its credit managers to take account of ESG considerations in all capital allocation decisions. | | |
| Fixed income - Securitised | Hostplus requires its fixed income managers to take account of ESG considerations in all capital allocation decisions. | | |
| Private equity | ESG is one of the considerations used in investment decision-making by Hostplus' private equity fund managers. ESG is seen as an investment risk which needs to be recognised (where it exists) and carefully managed. | | |
| Infrastructure | All of the Infrastructure investment managers that manage Hostplus' funds incorporate ESG into their decision-making. Hostplus receives reporting on managers' ESG activities and has discussions with managers on these issues. | | |
| Hedge funds - DDQ | <div style="border: 1px solid black; padding: 5px;"> <p>Select whether you use the PRI Hedge Fund DDQ</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p> </div> | | |
| Hedge funds | Hostplus' hedge funds need to be able to demonstrate that they include ESG considerations in their security selection and portfolio construction methodologies (where this is not prohibited by the specific investment strategy being used by the fund manager). | | |
| Cash | Hostplus' cash allocation (which includes very short-term, liquid securities) is held with large financial institutions, each of which have ESG/sustainability policies. | | |

SG 17.2 Additional information.

In addition to the above, it's important to note that every manager that is appointed to the Hostplus portfolio has to satisfy ESG selection criteria applied by our asset consultant. This requirement relates to all asset classes.

| | | | |
|---------|-----------|---------------|----------|
| SG 18 | Voluntary | Descriptive | General |
| Private | | | |
| SG 19 | Mandatory | 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.

Selection, Appointment and Monitoring

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

The information disclosed to clients/beneficiaries is the same

Yes

No

| Disclosure to public and URL | |
|---|--|
| Disclosure to public and URL | |
| <input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes <input type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf <input type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership <input type="checkbox"/> Other | |
| Annually | |
| https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en&hash=F067E180F2EB064BED37B3D16DC106E1 | |

Listed equity - Engagement

| Do you disclose? | |
|---|--|
| <input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input checked="" type="radio"/> We disclose to clients/beneficiaries only. <input type="radio"/> We disclose to the public | |

| Disclosure to clients/beneficiaries | |
|---|--|
| Disclosure to clients/beneficiaries | |
| <input type="checkbox"/> Details on the overall engagement strategy <input checked="" type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <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.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information | |
| Ad-hoc/when requested | |

Listed equity – (Proxy) Voting

| Do you disclose? | | | | | |
|---|--|--|--|--|--|
| <input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input type="radio"/> We disclose to clients/beneficiaries only. <input checked="" type="radio"/> We disclose to the public | | | | | |
| <table border="1"> <thead> <tr> <th colspan="2">The information disclosed to clients/beneficiaries is the same</th> </tr> </thead> <tbody> <tr> <td colspan="2"> <input checked="" type="radio"/> Yes <input type="radio"/> No </td> </tr> </tbody> </table> | | The information disclosed to clients/beneficiaries is the same | | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| The information disclosed to clients/beneficiaries is the same | | | | | |
| <input checked="" type="radio"/> Yes <input type="radio"/> No | | | | | |

| Disclosure to public and URL | |
|--|--|
| Disclosure to public and URL | |
| <input checked="" type="radio"/> Disclose all voting decisions <input type="radio"/> Disclose some voting decisions <input type="radio"/> Only disclose abstentions and votes against management | |
| Biannually | |
| https://hostplus.com.au/super/about-us/investment-governance#proxy-voting | |

SG Checks

Checks

If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

SAM 01.1 Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf for all your listed equity and/or fixed income assets:

Active investment strategies

| Active investment strategies | Listed Equity |
|------------------------------|-------------------------------------|
| Screening | <input checked="" type="checkbox"/> |
| Thematic | <input type="checkbox"/> |
| Integration | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

Passive investment strategies

| Passive investment strategies | Listed Equity |
|-------------------------------|-------------------------------------|
| Screening | <input type="checkbox"/> |
| Thematic | <input type="checkbox"/> |
| Integration | <input type="checkbox"/> |
| None of the above | <input checked="" type="checkbox"/> |

SAM 02.1 Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

| | LE | Property |
|---|-------------------------------------|-------------------------------------|
| Your organisation's investment strategy and how ESG objectives relate to it | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ESG incorporation requirements | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ESG reporting requirements | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| No RI information covered in the selection documentation | <input type="checkbox"/> | <input type="checkbox"/> |

You selected an 'Other' option in table SAM 02.1 above, please specify

These are also discussed with investment managers during due diligence meetings. Our emphasis is primarily on whether the investment team truly integrate the ESG policies and practices in their day to day management of the portfolio.

SAM 02.2 Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

Strategy

| | LE | Property |
|---|-------------------------------------|-------------------------------------|
| Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assess the quality of investment policy and its reference to ESG | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assess the investment approach and how ESG objectives are implemented in the investment process | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review the manager's firm-level vs. product-level approach to RI | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assess the ESG definitions to be used | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> |

ESG people/oversight

| | LE | Property |
|---|-------------------------------------|-------------------------------------|
| Assess ESG expertise of investment teams | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review the oversight and responsibilities of ESG implementation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review how is ESG implementation enforced /ensured | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

| | | |
|--|--------------------------|--------------------------|
| Review the manager's RI-promotion efforts and engagement with the industry | <input type="checkbox"/> | <input type="checkbox"/> |
| Other | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> |

Process/portfolio construction/investment valuation

| | LE | Property |
|---|-------------------------------------|-------------------------------------|
| Review the process for ensuring the quality of the ESG data used | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree the use of ESG data in the investment decision making process | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree the impact of ESG analysis on investment decisions | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree manager's ESG risk framework | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives | <input type="checkbox"/> | <input type="checkbox"/> |
| Review how ESG materiality is evaluated by the manager | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review process for defining and communicating on ESG incidents | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree ESG reporting frequency and detail | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other, specify | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> |

If you select any 'Other' option(s), specify

While review of policies and processes is a fundamental component of due diligence, we believe that discussing the rationale for investment decisions made with the investment team is critical to understanding the extent to which ESG is integrated in the portfolio. Many investment managers with good ESG teams, policies and processes do not live up to expectations because investment teams do not have sufficient buy in to the process. We believe that monitoring a manager over an extended period provides deeper understanding of the managers approach.

SAM 02.3 Indicate the selection process and its ESG/RI components

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

The investment consultant reviews the manager's ESG policy, proxy voting policy and other related documents. For equity managers, proxy voting and engagement records are also reviewed. In the case of unlisted property, significant emphasis is placed on the governance structure of the investment vehicle.

SAM 02.4 When selecting external managers does your organisation set any of the following:

| | LE | Property |
|-------------------------------------|-------------------------------------|-------------------------------------|
| ESG performance development targets | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG score | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG weight | <input type="checkbox"/> | <input type="checkbox"/> |
| Real world economy targets | <input type="checkbox"/> | <input type="checkbox"/> |
| Other RI considerations | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> |

You selected an 'Other' option in table SAM 02.4 above, please specify

The managers are reviewed thoroughly as part of the due diligence and selection process. This includes activities and expectations around stewardship activities, being active owners, engagement and voting requirements.

When determining whether a manager should be recommended for use in the portfolio, the consultant rates a managers' ESG capabilities in a formal evaluation process. In line with the approach taken to all other aspects of a manager evaluation (e.g. strategy, team, organisation etc), the consultant assigns a peer relative rating to the managers approach to ESG integration. A manager must be considered to be "average" relative to their peer group in relation to ESG (and all other areas) as a minimum to be recommended to a client (in conjunction with being considered as outstanding in other areas).

SAM 02.5 Describe how the ESG information reviewed and discussed affects the selection decision making process.[OPTIONAL]
 Managers with unsatisfactory ESG integration practices will not be appointed. As noted above, this assessment is undertaken on a peer relative basis

SAM 03 Mandatory Additional Assessed PRI 2

SAM 03.1 Indicate how your organisation typically evaluates the manager's active ownership practices in the majority of the manager selection process.

| Engagement | |
|--|-------------------------------------|
| | LE |
| Review the manager's engagement policy | <input checked="" type="checkbox"/> |
| Review the manager's engagement process (with examples and outcomes) | <input checked="" type="checkbox"/> |
| Ensure whether engagement outcomes feed back into the investment decision-making process | <input checked="" type="checkbox"/> |
| Other engagement issues in your selection process specify | <input type="checkbox"/> |

| (Proxy) voting | |
|---|---|
| | LE |
| Review the manager's voting policy | <input checked="" type="checkbox"/> Review the manager's voting policy - LE |
| Review the manager's ability to align voting activities with clients' specific voting policies | <input type="checkbox"/> Review the manager's ability to align voting activities with clients' specific voting policies - LE |
| Review the manager's process for informing clients about voting decisions | <input checked="" type="checkbox"/> Review the manager's process for informing clients about voting decisions - LE |
| Ensure whether voting outcomes feed back into the investment decision-making process | <input type="checkbox"/> Ensure that voting outcomes feed back into the investment decision-making process - LE |
| Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale | <input type="checkbox"/> Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale - LE |
| Other active ownership voting issues in your selection process; specify | <input type="checkbox"/> Other active ownership voting issues in your selection process; specify - LE |

SAM 03.2 Describe how you assess if the manager's engagement approach is effective.

- Impact on investment decisions
- Financial impact on target company or asset class
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- Other, specify
- None of the above

SAM 03.3 Describe how you assess if the manager's voting approach is effective/appropriate

- Impact on investment decisions
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- Other, specify
- None of the above

SAM 04 Mandatory Core Assessed PRI 1

SAM 04.1 Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

SAM 04.2 Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

| | |
|-------------------------------------|--|
| Asset class | |
| <input checked="" type="checkbox"/> | Listed equity (LE) |
| Benchmark | |
| <input checked="" type="checkbox"/> | Standard benchmark |
| <input type="checkbox"/> | ESG benchmark, specify |
| ESG Objectives | |
| <input type="checkbox"/> | ESG related strategy, specify |
| <input checked="" type="checkbox"/> | ESG related investment restrictions, specify |
| | Certain prohibited securities are excluded (i.e. controversial weapons) |
| <input checked="" type="checkbox"/> | ESG integration, specify |
| | Managers are expected to give due regard to ESG considerations in their investment decision-making |
| <input type="checkbox"/> | Engagement, specify |
| <input type="checkbox"/> | Voting, specify |
| <input type="checkbox"/> | Promoting responsible investment |
| <input type="checkbox"/> | ESG specific improvements |
| <input type="checkbox"/> | Other, specify |
| Incentives and controls | |
| <input checked="" type="checkbox"/> | We do not set incentives and controls |
| Reporting requirements | |
| <input checked="" type="checkbox"/> | We do not require the reporting on ESG objectives |
| <input checked="" type="checkbox"/> | Property |
| Benchmark | |
| <input checked="" type="checkbox"/> | Standard benchmark, specify |
| | IPD MSCI Australian Unlisted Property Index |
| <input type="checkbox"/> | ESG benchmark, specify |
| ESG Objectives | |
| <input type="checkbox"/> | ESG related strategy, specify |
| <input type="checkbox"/> | ESG related investment restrictions, specify |
| <input checked="" type="checkbox"/> | ESG integration, specify |
| | Managers are expected to give due regard to ESG considerations in their investment decision-making |
| <input type="checkbox"/> | Engagement, specify |
| <input type="checkbox"/> | Voting, specify |
| <input type="checkbox"/> | Promoting responsible investment |
| <input type="checkbox"/> | ESG specific improvements |
| <input type="checkbox"/> | Other, specify |
| Incentives and controls | |
| <input checked="" type="checkbox"/> | We do not set incentives and controls |
| Reporting requirements | |
| <input checked="" type="checkbox"/> | We do not require the reporting on ESG objectives |

| | |
|-------------------------------------|---|
| SAM 04.3 | Indicate which of these actions your organisation might take if any of the requirements are not met |
| <input checked="" type="checkbox"/> | Discuss requirements not met and set project plan to rectify |
| <input checked="" type="checkbox"/> | Place investment manager on a "watch list" |
| <input checked="" type="checkbox"/> | Track and investigate reason for non-compliance |
| <input checked="" type="checkbox"/> | Re-negotiate fees |
| <input checked="" type="checkbox"/> | Failing all actions, terminate contract with the manager |
| <input type="checkbox"/> | Other, specify |
| <input type="checkbox"/> | No actions are taken if any of the ESG requirements are not met |

| | |
|--|---|
| SAM 04.4 | Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL] |
| <p>The approach taken will vary depending on the severity of a situation. The first response would be to review performance, discuss the issue with manager, identify what had gone wrong and whether it is a systemic failure or a one-off mistake. Where a systematic issue is identified, our preference is to seek resolution of the issue through process changes - this may result in a manager being placed on a watch list while we monitor the efficacy of changes. We would only seek to terminate a manager where they were not willing or able to resolve the issue. We utilise performance fees with meaningful hurdle rates in</p> | |

place, and therefore would be paying lower fees if the situation resulted in a loss. However, there could be situations where a re-negotiation of the fee would also be appropriate.

| | | | |
|--------|-----------|---------------------|-------|
| SAM 06 | Mandatory | Additional Assessed | PRI 1 |
|--------|-----------|---------------------|-------|

SAM 06.1 When monitoring managers, indicate which of the following active ownership information your organisation typically reviews and evaluates from the investment manager in meetings/calls

| (Proxy) voting | |
|---|---|
| | LE |
| Report on voting undertaken (with outcomes and examples) | <input checked="" type="checkbox"/> Report on voting undertaken (with outcomes and examples) - LE |
| Report on voting decisions taken | <input type="checkbox"/> Report on voting decisions taken - LE |
| Adherence with the agreed upon voting policy | <input type="checkbox"/> Adherence with the agreed upon voting policy - LE |
| Other RI considerations relating to (proxy) voting in investment management agreements; specify | <input type="checkbox"/> Other RI considerations relating to (proxy) voting in investment management agreements; specify - LE |
| None of the above | <input type="checkbox"/> None of the above - LE |

| | | | |
|--------|-----------|---------------|-------|
| SAM 07 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

SAM 07.1 For the listed equities for which you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.

Votes cast (to the nearest 5%)
100%

Specify the basis on which this percentage is calculated.

Of the total number of ballot items on which they could have issued instructions

Of the total number of company meetings at which they could have voted

Of the total value of your listed equity holdings on which they could have voted

We do not collect this information.

SAM 07.2 For the listed equities for which you have given your external managers a mandate to engage on your behalf, indicate the approximate percentage (+/- 5%) of companies that were engaged with during the reporting year.

1136
100Proportion (to the nearest 5%)

| | | | |
|--------|--|-------------|-------|
| SAM 08 | Mandatory to Report, Voluntary to Disclose | Descriptive | PRI 1 |
|--------|--|-------------|-------|

Private

| | | | |
|--------|-----------|---------------------|---------|
| SAM 09 | Mandatory | Additional Assessed | PRI 1,6 |
|--------|-----------|---------------------|---------|

SAM 09.1 Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

Add Example 1

| | |
|-------------------|--|
| Topic or issue | Reviewing ESG integration of an existing manager |
| Conducted by | Internal staff |
| Asset class | Listed Equity |
| Scope and process | Concern was raised that an existing manager may have not been integrating ESG factors sufficiently into its investment process. A comprehensive request for information was sent to the manager. |
| Outcomes | The manager was able to provide significant additional information on its ESG integration process through provision of a Corporate ESG policy, Strategy-specific ESG Policy and detailed due diligence document. These outlined the manager's approach, examples of how ESG factors have impacted investment decisions, and examples of ESG engagement and voting. |

Add Example 2

| | |
|-------------------|--|
| Topic or issue | GRESB data used to assess and monitor managers |
| Conducted by | Internal staff |
| Asset class | Property |
| Scope and process | A GRESB data subscription was added to supplement existing data sources used in property investment manager selection, appointment and monitoring processes. |

| | |
|----------|---|
| Outcomes | The existing peer relative assessment of property investment managers was further strengthened. |
|----------|---|

- Add Example 3
- Add Example 4
- Add Example 5
- Add Example 6
- Add Example 7
- We are not able to provide examples

SAM Checks

Checks

If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

LEA 01.1 Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).

Yes

LEA 01.2 Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

https://hostplus.com.au/-/media/Files/Hostplus/Documents/1022-ESG-POLICY_A4_18-FA-LR.pdf?la=en

LEA 01.3 Indicate what your active engagement policy covers:

General approach to Active Ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Methods of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other, (specify)

(Proxy) voting approach

Voting

- ESG issues
- Prioritisation and scope of voting activities
- Methods of voting
- Transparency of voting activities
- Regional voting practice approaches
- Filing or co-filing resolutions
- Company dialogue pre/post-vote
- Decision-making processes
- Securities lending processes
- Other, (specify)

Other

None of the above

No

LEA 01.4 Do you outsource any of your active ownership activities to service providers?

Yes

LEA 01.5 Where active ownership activities are conducted by service providers, indicate whether your active ownership policy covers any of the following:

- Outline of service provider's role in implementing your organisation's active ownership policy
- Description of considerations included in service provider selection and agreements
- Identification of key ESG frameworks which service providers must follow
- Outline of information sharing requirements of service providers
- Description of service provider monitoring processes
- Other, (specify)
- None of the above

No

| | |
|---|-----------------------------------|
| LEA 01.6 | Additional information [optional] |
| We conduct engagement with ASX-listed companies in collaboration with our external ESG provider ACSI. ACSI's Governance Guidelines which covers engagement and voting are available at: https://acsi.org.au/images/stories/ACSIDocuments/ACSI-Governance-Guidelines-2019.pdf | |

| | | | |
|--------|-----------|---------------|-----------|
| LEA 02 | Mandatory | Core Assessed | 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 it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <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 it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements |
| Service provider engagements | <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via service providers |

| | |
|----------|--|
| LEA 02.2 | Indicate whether your organisation plays a role in the engagement process that your service provider conducts. |
|----------|--|

Yes

| | |
|----------|--|
| LEA 02.3 | Indicate the role(s) you play in engagements that your service provider conducts on your behalf. |
|----------|--|

- We discuss the topic of the engagement (or ESG issue(s)) of engagement
- We discuss the rationale for the engagement
- We discuss the objectives of the engagement
- We select the companies to be engaged with
- We discuss the frequency/intensity of interactions with companies
- We discuss the next steps for engagement activity
- We participate directly in certain engagements with our service provider
- Other; specify
- We play no role in engagements that our service provider conducts.

No

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

| | |
|----------|---|
| LEA 03.1 | Indicate whether your organisation has a formal process for identifying and prioritising engagements. |
|----------|---|

Yes

| | |
|----------|--|
| LEA 03.2 | Indicate the criteria used to identify and prioritise engagements for each type of engagement. |
|----------|--|

| Type of engagement | Criteria used to identify/prioritise engagements | | |
|--|--|---|--|
| Individual / Internal staff engagements | <table border="1"> <thead> <tr> <th>Individual / Internal staff engagements</th> </tr> </thead> <tbody> <tr> <td> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements </td> </tr> </tbody> </table> | Individual / Internal staff engagements | <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements |
| | Individual / Internal staff engagements | | |
| <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements | | | |

| Collaborative engagements | <table border="1"> <thead> <tr> <th>Collaborative engagements</th> </tr> </thead> <tbody> <tr> <td> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers </td> </tr> </tbody> </table> | Collaborative engagements | <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers |
|---|---|---|---|
| | Collaborative engagements | | |
| <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers | | | |
| <table border="1"> <thead> <tr> <th>Service-provider engagements</th> </tr> </thead> <tbody> <tr> <td> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our service providers </td> </tr> </tbody> </table> | Service-provider engagements | <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our service providers | |
| Service-provider engagements | | | |
| <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our service providers | | | |

No

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

LEA 04.1 Indicate whether you define specific objectives for your organisation's engagement activities.

| | |
|---|---|
| Individual / Internal staff engagements | <input type="radio"/> All engagement activities <input checked="" type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff |
| Collaborative engagements | <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration |
| Service-provider engagements | <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by our service providers |

LEA 04.2 Additional information. [Optional]

For ACSI's priority engagement companies, specific engagement issues are defined at the start of the calendar year. For all other companies, ACSI outlines key engagement topics and objectives prior to the meeting.

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

LEA 05.1 Indicate whether you monitor and/or review engagement outcomes.

| | |
|---|---|
| Individual / Internal staff engagements | <input type="radio"/> Yes, in all cases <input checked="" type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff. |
| Collaborative engagements | <input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration. |
| Service-provider engagements | <input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our service providers. |

LEA 05.2 Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

| | |
|---|--|
| Individual / Internal staff engagements | <input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify |
| Collaborative engagements | <input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify |
| Service-provider engagements | <input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify |

LEA 06 Mandatory Additional Assessed PRI 2,4

LEA 06.1 Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

Yes

LEA 06.2 Indicate the escalation strategies used at your organisation following unsuccessful engagements.

- Collaborating with other investors
- Issuing a public statement
- Filing/submitted a shareholder resolution
- Voting against the re-election of the relevant directors
- Voting against the board of directors or the annual financial report
- Submitting nominations for election to the board
- Seeking legal remedy / litigation
- Reducing exposure (size of holdings)
- Divestment
- Other; specify

Voting against other relevant resolutions at an AGM.

No

LEA 07 Voluntary Additional Assessed PRI 1,2

LEA 07.1 Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.

| Type of engagement | Insights shared |
|--------------------|-----------------|
|--------------------|-----------------|

| | |
|--|---|
| Individual / Internal staff engagements | <input type="radio"/> Yes, systematically <input checked="" 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 |
| Service-provider engagements | <input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No |

LEA 07.2 Indicate the practices used to ensure that information and insights gained through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing an engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify
- None

LEA 07.3 Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.

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

LEA 08 Mandatory Gateway PRI 2

LEA 08.1 Indicate whether you track the number of your engagement activities.

| Type of engagement | Tracking engagements |
|--|--|
| Individual/Internal staff engagements | <input checked="" 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 type="radio"/> We do not track |
| Collaborative engagements | <input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track |
| Service-provider engagements | <input checked="" type="radio"/> Yes, we track the number of service-provider engagements in full <input type="radio"/> Yes, we partially track the number of our service-provider engagements <input type="radio"/> We do not track |

LEA 08.2 Additional information. [Optional]

ACSI tracks all formal company engagement meetings and provides semiannual engagement updates to members.

LEA 09 Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

Private

LEA 10 Voluntary Additional Assessed PRI 2

Private

LEA 11 Voluntary Descriptive PRI 2

| | | | |
|----------|--|---------------------|-------|
| LEA 12 | Mandatory | Descriptive | PRI 2 |
| LEA 12.1 | Indicate how you typically make your (proxy) voting decisions. | | |
| | Approach | | |
| | <input type="radio"/> We use our own research or voting team and make voting decisions without the use of service providers. <input checked="" type="radio"/> We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions. | | |
| | Based on | | |
| | <input checked="" type="radio"/> The service-provider voting policy we sign off on <input type="radio"/> Our own voting policy <input type="radio"/> Our clients' requests or policies <input type="radio"/> Other (explain) | | |
| | <input type="radio"/> We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions. <input type="radio"/> We hire service providers who make voting decisions on our behalf. | | |
| LEA 12.2 | Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made. | | |
| | <p>We favour a pragmatic and commercial approach to voting at company AGMs that considers the specific circumstances of each company and proposal on a case-by-case basis. We aim to vote in all matters where it is practical for us to do so.</p> <p>For Australian equities, we use the voting reports and recommendations provided by ACSI, which covers the ASX300. We actively contribute to setting the ACSI Governance Guidelines which are used by ACSI's management to inform their voting recommendations and by us in exercising our voting rights. The Guidelines are co-written and approved by members via working groups and ACSI's Member Council. The Guidelines are available at: https://acsi.org.au/wp-content/uploads/2020/01/ACSI-Governance-Guidelines-2019.pdf</p> <p>Our Australian voting also takes into consideration advice and voting recommendations received from our investment managers.</p> <p>For International equities, we use the voting reports and recommendations provided by Glass Lewis.</p> | | |
| LEA 14 | Voluntary | Additional Assessed | PRI 2 |
| | Private | | |
| LEA 15 | Mandatory | Descriptive | PRI 2 |
| LEA 15.1 | Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting. | | |
| | <input type="radio"/> 100% <input checked="" type="radio"/> 99-75% <input type="radio"/> 74-50% <input type="radio"/> 49-25% <input type="radio"/> 24-1% <input type="radio"/> Neither we nor our service provider(s) raise concerns with companies ahead of voting | | |
| LEA 15.2 | Indicate the reasons for raising your concerns with these companies ahead of voting. | | |
| | <input type="checkbox"/> Vote(s) concerned selected markets <input type="checkbox"/> Vote(s) concerned selected sectors <input checked="" type="checkbox"/> Vote(s) concerned certain ESG issues <input checked="" type="checkbox"/> Vote(s) concerned companies exposed to controversy on specific ESG issues <input type="checkbox"/> Vote(s) concerned significant shareholdings <input type="checkbox"/> Client request <input type="checkbox"/> Other | | |
| LEA 15.3 | Additional information. [Optional] | | |
| | <p>Prior to ACSI issuing voting recommendations to members, ACSI attempts to make contact with all companies, particularly if there is a controversial item or where ACSI may oppose the board on a resolution.</p> | | |
| LEA 16 | Mandatory | Core Assessed | PRI 2 |
| LEA 16.1 | Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes. | | |
| | <input checked="" type="radio"/> 100% <input type="radio"/> 99-75% <input type="radio"/> 74-50% <input type="radio"/> 49-25% <input type="radio"/> 24-1% <input type="radio"/> We do not communicate the rationale to companies | | |

Not applicable because we and/or our service providers did not abstain or vote against management recommendations

LEA 16.3 In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.

- Yes
 No

LEA 16.4 Additional information. [Optional]

Prior to ACSI issuing voting recommendations to members, ACSI attempts to make contact with all companies, particularly if there is a controversial item or where ACSI may oppose the board on a resolution. When ACSI is making a recommendation against, ACSI engages with the company and seeks a response and rationale from the company for the report.

LEA 17 Mandatory Core Assessed PRI 2

LEA 17.1 For listed equities in which you 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

Votes cast (to the nearest 1%)
96%

Specify the basis on which this percentage is calculated

- Of the total number of ballot items on which you could have issued instructions
 Of the total number of company meetings at which you could have voted
 Of the total value of your listed equity holdings on which you could have voted
 We do not track or collect this information

LEA 17.2 Explain your reason(s) for not voting on certain holdings

- Shares were blocked
 Notice, ballots or materials not received on time
 Missed deadline
 Geographical restrictions (non-home market)
 Cost
 Conflicts of interest
 Holdings deemed too small
 Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
 Client request
 Other (explain)

LEA 18 Voluntary Additional Assessed PRI 2

LEA 18.1 Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.

Yes, we track this information

LEA 18.2 Of the voting instructions that you and/or third parties on your behalf have issued, indicate the proportion of ballot items that were:

Voting instructions Breakdown as percentage of votes cast
For (supporting) management recommendations
91%
Against (opposing) management recommendations
8%
Abstentions
1%

No, we do not track this information

LEA 18.3 In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.

100

LEA 19 Mandatory Core Assessed PRI 2

LEA 19.1 Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

- Yes
 No

LEA 19.2 Indicate the escalation strategies used at your organisation following abstentions and/or votes against management.

- Contacting the company's board
 Contacting the company's senior management

- Issuing a public statement explaining the rationale
- Initiating individual/collaborative engagement
- Directing service providers to engage
- Reducing exposure (holdings) / divestment
- Other

LEA 19.3 Additional information. [Optional]

Through our service provider, ACSI, we engage companies and undertake a series of escalation steps before and after company meetings. The level of escalation recommended by ACSI is dependent upon the nature and materiality of an issue and responsiveness of a company to engagement.

Generally, where ACSI recommends a vote in opposition to the board, depending on the materiality, the company may be put onto ACSI's engagement priority list for the following year.

Further escalation can include:

- Further engagement with board members and/or chair
- Expressing concerns to alternative company representatives (i.e. management, other non-executive directors)
- Working collectively with asset managers/other asset owners and holding discussions with other equity or bondholders
- Recommending additional votes against management on relevant proposals at general meetings (eg: ACSI's women on boards policy <https://acsi.org.au/wp-content/uploads/2020/02/2019-Voting-Policy-gender-diversity.pdf>)
- Speaking to regulators, industry bodies and advocating for policy change
- Expressing concerns publicly
- Encourage our membership and other industry participants to take up more pro-active stance

| | | | |
|--------|-----------|-------------|-------|
| LEA 20 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

Private

| | | | |
|--------|-----------|-------------|-------|
| LEA 21 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

Private

| | | | |
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| LEA Checks | | | Checks |
|------------|--|--|--------|

- If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

| | | | |
|---|--|---------------------|---------|
| CM1 01 | Mandatory | Additional Assessed | General |
| CM1 01.1 | Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone: | | |
| <input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified <input type="checkbox"/> Selected data has been internally verified <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above | | | |
| CM1 02 | Mandatory | Descriptive | General |
| CM1 02.1 | We undertook third party assurance on last year's PRI Transparency Report | | |
| <input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input checked="" type="radio"/> We did not assure last year's PRI Transparency report <input type="radio"/> None of the above, we were in our preparation year and did not report last year. | | | |
| CM1 03 | Mandatory | Descriptive | General |
| CM1 03.1 | We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report: | | |
| <input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> 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 <input type="checkbox"/> ESG audit of holdings <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above | | | |
| CM1 04 | Mandatory | Descriptive | General |
| CM1 04.1 | Do you plan to conduct third party assurance of this year's PRI Transparency report? | | |
| <input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="radio"/> We do not plan to assure this year's PRI Transparency report | | | |
| CM1 07 | Mandatory | Descriptive | General |
| CM1 07.1 | 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 | | |
| <input type="checkbox"/> CEO or other Chief-Level staff <input type="checkbox"/> The Board <input type="checkbox"/> Investment Committee <input type="checkbox"/> Compliance Function <input checked="" type="checkbox"/> RI/ESG Team <input checked="" type="checkbox"/> Investment Teams <input type="checkbox"/> Legal Department <input type="checkbox"/> Other (specify) | | | |