



Pinnacle Investment Management Group Ltd

Environmental, Social and Governance Charter

Document control

Version control / revision history

This document has been through the following revisions:

Version	Date of approval	Remarks / Key changes / Reason for update
1		New Version of Pinnacle Group ESG Charter

Authorisation

This document requires the following approvals:

Authorisation	Name
Initial version	

The Pinnacle Group ESG Charter (**Charter**) has been prepared by Pinnacle Investment Management Group Limited ABN 22 100 325 184 (**Pinnacle**). Reference to the Pinnacle Group in this Charter means Pinnacle and its affiliated investment managers (**Affiliates**) that have adopted the Charter. Reference to 'we' means each member of the Pinnacle Group that have adopted the Charter.

Affiliates that have adopted the principles set out in this Charter:

- Aikya Investment Management Limited (UK Company Number 12329682)
- Antipodes Partners Limited (ABN 29 602 042 035, AFSL 481580)
- Coolabah Capital investments Pty Ltd (ABN 49 050 680 870)
- Firetrail Investments Pty Limited (ABN 98 622 377 913, AFSL 516821)
- Five V Capital Pty Ltd (ABN 29 162 193 928, AFSL 463130)
- Hyperion Asset Management Limited (ABN 80 080 135 897, AFSL 238380)
- Langdon Equity Partners Ltd (BN 793217605RC0001)
- Longwave Capital Partners Pty Ltd (ABN 17 629 034 902, AFSL AR 1269404 of Pinnacle Investment Management Limited AFSL 322140)
- Metrics Credit Partners Pty Ltd (ABN 27 150 646 996, AFSL 416146)
- Palisade Investment Partners Limited (ABN 32 124 326 361, AFSL AR 312944 of Pinnacle Investment Management Limited AFSL 322140)
- Plato Investment Management Limited (ABN 77 120 730 136, AFSL 307141)
- Riparian Capital Partners Pty Limited (ABN 80 630 179 752, AFSL 322140)
- Solaris Investment Management Limited (ABN 72 128 512 621, AFSL 330505)
- Spheria Asset Management Pty Limited (ABN 42 611 081 326, AFSL AR 1240979 of Pinnacle Investment Management Limited AFSL 322140)
- Two Trees Investment Management Pty Ltd (ABN 57 616 424 170, AFSL 502096)

All new Affiliates are required to adopt the principles set out in this Charter and are expected to comply within a 12-month period.

Pinnacle and the Affiliates will review the content of the Charter at least annually, to ensure that the content remains relevant and appropriate and to reaffirm their commitment to continuing to approach these important issues in a collaborative manner.

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Scope

The Charter reflects our shared commitment to ensure that sustainability principles and practices are integrated into the way we conduct business.

Pinnacle itself does not manage money, but rather, holds equity interests in Affiliates and provides them with distribution, business infrastructure and other non-investment support. It is the responsibility of each Affiliate to manage client monies, including with respect to environmental, social and governance (**ESG**) considerations, in accordance with their investment processes. The Charter articulates broad, consistent ESG Principles for how those considerations may be addressed but does not bind Affiliates to alter or change their investment processes in any way.

Purpose

The purpose of this Charter is to formalise the Pinnacle Group's commitment to supporting and adopting responsible investment and operational practices.

The Charter underpins the objectives sought by the Pinnacle Group's ESG Working Group. The ESG Working Group facilitates collaboration between Pinnacle and the Affiliates, with the objective to enhance consideration of ESG principles across the Pinnacle Group, as well as improve disclosure transparency and drive positive change in our industry.

The ESG Working Group consists of representatives from each Affiliate, including, Managing Directors and executives, investment decision makers, and other key stakeholders.

In pursuit of its purpose, the Pinnacle Group will act in accordance with the following ESG Principles.

ESG Principles

Investment decision-making

Pinnacle and Affiliates recognise that we have a duty to act in the best long-term interests of our stakeholders. We believe that ESG issues can affect the performance of investment portfolios to varying degrees across companies, sectors, regions, asset classes and through time.

The ESG Working Group consists of Affiliates who invest across a range of markets and asset types, each with its own approach to investing including with respect to the integration of ESG considerations. The Charter does not seek to mandate how ESG considerations are to be incorporated within each Affiliate's investment process, but rather articulates a set of principles for how those considerations should be addressed. We employ the United Nations supported Principles for Responsible Investment (**PRI**) as a guiding framework to baseline our responsibilities and guide our ESG considerations.

Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

Collaboration

We will collaborate via the Pinnacle Group's ESG Working Group to foster responsible investment and sustainable operations that contribute positively to society and the environment.

The ESG Working Group brings together Affiliates across the Pinnacle Group to share knowledge and educate, with the aim to support and promote industry best practice standards.

We believe that a collaborative approach to ESG across the Pinnacle Group creates a valuable synergy and increases the impact of otherwise individual actions.

Investment decision-making

All Affiliates approach responsible investment in the way that is most relevant to their investment strategies. Where relevant to each Affiliate's investment process, we will incorporate ESG issues into our investment decision-making process and disclose the manner in which ESG issues are considered via our ESG Policy or equivalent.

We will provide employee training on material ESG matters¹.

Active ownership

Where it is applicable and viable to each Affiliate's investment process, we will be active owners and incorporate ESG issues into our ownership policies and practices by:

- establishing an engagement strategy, prioritising engagement efforts on sectors or companies where material ESG matters¹ have been identified.
- establishing a Voting Policy consistent with each Affiliate's responsible investment ambitions and ensure votes are cast in accordance with the Voting Policy.

Public disclosure

We will publicly disclose our ESG Policy and Voting Policy if applicable.

¹ *Material ESG matters in this Charter means environmental, social or governance concerns that are reasonably likely to impact the financial condition or operating performance of a company and therefore are most important to investors.*

Corporate operations

ESG governance

We will ensure our ESG Policy or equivalent document is actively supported by our Board and reviewed at least annually.

Climate change

We recognise that climate change presents new and material challenges. We see climate change as an important issue for all our employees, clients, investors, and shareholders.

We will calculate and assess corporate carbon dioxide equivalent emissions on an annual basis and implement a decarbonisation strategy to reduce our operating emissions.

Modern slavery

We will ensure adequate policies and procedures are in place to address modern slavery risks within our own organisation.

We will take appropriate steps aimed at ensuring our suppliers are taking appropriate actions to assess and address modern slavery risks in their own organisation and supply chain.

Employee wellbeing

We will ensure a sense of purposeful direction for each employee and create a working environment where all employee opinions are valued, and all employees are supported to achieve their potential.

We will establish an Employee Assistance Program for employees and their immediate family members.

We will adopt a flexible working approach, to enable employees to balance family and personal responsibilities in the way that works best for employee and Affiliate.

Diversity and inclusion

We recognise the benefits of a diverse group of employees reflecting different backgrounds, perspectives, styles, knowledge, experience, and abilities.

We will promote diversity in the workplace and ensure our anti-discrimination, recruitment, compensation and conduct related policies and/or practices emphasise the fair treatment of all employees.

Privacy protection

We will take all reasonable steps to protect personal information from loss and unauthorised access, destruction, use, modification, or disclosure.

We will ensure mechanisms are in place to support the effective implementation of our Privacy Policy.

Information security

We will ensure all employees undertake mandatory cybersecurity training on an ongoing basis, and we will ensure appropriate Cyber Insurance is in place to mitigate risks.