

2024 Ausbil Corporate Sustainability Report

Ausbil Investment
Management Limited
ABN 26 076 316 473
ACN 076 316 473
AFSL 229722

Contents

Content

Executive Summary	3
Sustainability at Ausbil.....	4
Collaboration with leading sustainable investing organisations	4
ESG integration in our investment decisions	4
Ausbil's Sustainability Committee	5
Ausbil in a snapshot: 2024.....	5
A foundation in good governance	6
Developing the social aspects of our business.....	7
Diversity, equity and inclusion.....	7
Safety and wellbeing	17
Human rights and supply chains	18
Community and workplace giving	20
Improving our environmental impact	21

Executive Summary

Executive Summary

Ausbil's approach to sustainability sits within a broader context of ESG and sustainable investment work that we do on behalf of our clients. This report expands on our sustainability practices in our own business.

- Ausbil engages in a range of activities that are designed to expand and improve our **sustainability practices** over time. These include:
 - o Ensuring transparent and accountable governance that enables sustainability to feature in how we operate as a business.
 - o Reviewing our suppliers and their supply chains, including a modern slavery risk assessment.
 - o Analysing our energy and environmental footprint with a view to lowering our carbon impact and reducing environmental waste.
 - o Focusing on initiatives that aim to improve the sustainability practices across our organisation, so sustainability becomes an intrinsic part of our culture, in how we deal with each other and our clients.
- Some **key achievements** in our sustainability approach over the year include:
 - o Becoming the first corporate partner of Domus 8.7, which is an independant modern slavery remediation service.
 - o Switched to 100% renewable accredited electricity for the Sydney Head Office.
 - o Audit of Ausbil's supply chain on the issue of human rights and supply chain practices and development of a procedure to assist with supplier due diligence and escalation of modern slavery cases if found in the business or supply chain.
 - o Instigation of measures for key sustainability data, as illustrated in this document, aimed at reducing our use of energy, or carbon and environmental footprint.
 - o Positive actions in recruitment and policy discussion aimed at increasing diversity, including female representation at Ausbil, across all parts of the business.

“

Ausbil engages in a range of activities that are designed to expand and improve our sustainability practices over time

”

Sustainability at Ausbil

“

Ausbil is actively involved with a range of peak not-for-profit organisations that help define and develop the future of sustainability

”

Collaboration with leading sustainable investing organisations

Ausbil has been benchmarking our approach to sustainability and ESG for many years through our active participation in a range of global bodies for which sustainability, ESG and responsible investing are amongst their mandates.

To this end, Ausbil is actively involved with a range of peak not-for-profit organisations that help define and develop the future of sustainability. Ausbil is a member of:

- World Benchmarking Alliance (WBA) Collective Impact Coalition for Ethical AI to which we are an investor participant and signed their investor statement.
- United Nations-backed Principles for Responsible Investment (PRI) to which we are a signatory;
- PRI Australian Network Advisory Committee;
- Responsible Investment Association Australasia (RIAA) of which we are on the board, and their Human Rights Working Group of which Ausbil is currently chair;
- Investor Group on Climate Change Australia and New Zealand, (IGCC) and participation in Climate Action 100+;
- Investors Against Slavery and Trafficking – Asia-APAC (we are on the Steering Committee);
- Investor Alliance for Human Rights; and
- Reappointed member of the NSW Anti-slavery Commissioner's Advisory panel for 2024-2025 financial year.
- Investors For Human Rights.

Ausbil is also active in supporting key global ESG initiatives through participating as a signatory, and in related advocacy and engagement. Ausbil is currently a signatory to:

- The Global Investor Statement to Governments on the Climate Crisis (2021, 2022);
- The Investor Statement on Bangladesh;
- Investor Declaration on Plastic Pollution (IDPP) from The Plastics Solutions Investor Alliance.

Ausbil places significant emphasis on combatting modern slavery and voluntarily submits a public Modern Slavery Statement, despite not being obligated to do so under the current reporting requirements.

ESG integration in our investment decisions

Ausbil is committed to the principles of responsible investing, including the integration of ESG in its investment decision-making and ownership practices. Ausbil includes an assessment of ESG factors in its investment processes across its investment strategies, which may lead to better informed decisions and the positive financial performance of an investment. Ausbil actively exercises its voting rights and engagement with companies, whilst monitoring ESG behaviour. Ausbil believes this helps fulfil its fiduciary duties to investors, and helps companies improve their environmental, social and governance practices, impact and record, together with other investors.

Ausbil's Sustainability Committee

Ausbil's Sustainability Committee

The Ausbil Sustainability Committee assists Ausbil's Executive Committee (ExCo) in implementing the Company's strategic sustainability goals and assists in oversight and review of the Company's practices.

The Charter for the Committee governs the composition, role, operations, responsibilities and authority, and resources of the Committee. The committee comprises members from all areas of Ausbil and aims to meet monthly or more frequently on a needs basis. The Committee is chaired by a member of Ausbil's ESG Research Team, and includes the Chief Executive Officer, ESG Team, Chief Financial Officer and the Head of Equities Research, to name a few.

The Sustainability Committee is expected to develop and present practical recommendations to Ausbil's ExCo on developing corporate sustainability goals; reviewing the effectiveness of the policies and programs in achieving the sustainability goals against best practice standards; and provide recommendations on compliance issues, including on health and safety policy, environmental and climate policy, ESG goals, and any relevant legal and regulatory requirements.

Ausbil's sustainability goals are centred on four principles:

1. Best practice on workplace management, including diversity, gender equality, career development, training, leadership opportunities, health and physical/mental wellbeing.
2. Sustainable procurement, including preparation and reporting towards the Modern Slavery Act 2018 (Cth).
3. Minimisation and management of environmental risk and impacts, including energy usage and recycling.
4. Demonstrating community and social responsibility, including charitable donations, community partnerships and volunteering.

Ausbil in a snapshot: 2024

Carbon footprint – head office

Average daily (kWh)	184.74
Total Electricity consumption (kWh)	67612.48
Total energy (GJ)	243
Total Scope 2 emissions	46
NABERS Energy Rating (Grosvenor Place, Sydney)	3.5
NABERS Water Rating (Grosvenor Place, Sydney)	3.5
NABERS Waste Rating (Grosvenor Place, Sydney)	6.0

Source: Sustainability - Grosvenor Place Sydney - CULTURE AT WORK Grosvenor Place Sydney – CULTURE AT WORK. Data as at 31 December 2024.

People and diversity

Total workforce	71
Born in Australia	69%
Born outside of Australia	31%
Speak another language other than English	39%
Female workforce	32%

Source: Ausbil, data as at 31 December 2024.

“

The Ausbil Sustainability Committee assists Ausbil's Executive Committee in implementing the Company's strategic Sustainability Goals

”

A foundation in good governance

“

Ausbil is committed to the highest ethical and standards and our Code of Conduct sets out the behavioural expectations for anyone who works for Ausbil

”

A foundation in good governance

Ausbil is committed to transparent and effective corporate governance. Our governance framework outlines decision-making and accountability lines across the business, provides appropriate partitions and controls for the execution of our fiduciary duties, and the relevant structures that support the management and development of our workforce, and the expression of a culture of diversity, sustainability, transparency and respect.

Our Board oversees the strategic direction of Ausbil and our ExCo has been delegated authority from the Board to implement key strategies and policies. Ausbil is committed to the highest ethical standards and our Code of Conduct sets out the behavioural expectations for anyone who works for Ausbil. Ausbil employees must also abide to a set of policies, including but not limited to issues such as anti-money laundering and counter terrorism financing (AML/CTF), whistleblowing, insider trading, complaints handling, conflicts of interest, incident and breach reporting, information privacy and cyber security. Ausbil provides regular compliance training to all employees to ensure that employees understand the relevant policies and laws, and keep up to date with changes. All employees are required to sign an Annual Compliance Declaration which includes compliance with these policies.

Developing the social aspects of our business

Diversity, equity and inclusion

Ausbil continues its commitment to Diversity and Inclusion as a people priority in 2024.

Diversity and Inclusion is a standing priority for the Sustainability Committee which consists of the Chief Executive Officer, HR Manager and other representatives from across the organisation. Ausbil continues to advance its diversity and inclusion through a number of initiatives.

Ausbil continues to increase the number of females in its workforce and has implemented inclusive recruitment practices. This includes gender-neutral language in job advertisements, targeting balanced gender short lists and interviewing panels. In 2024, we had 3 new employees, which consisted of 2 female employees and 1 male employee.

While there is a broader challenge of workplace diversity and female participation, particularly within the finance industry in Australia, the benefits for achieving a more representative workforce are significant, including improved staff engagement and discussion, and a broader cultural perspective.

Demographics

As of 31st December 2024, Ausbil had a total number of employees of 71 with 23 (32%) females and 48 (68%) males. Ausbil also benefits from having staff who have lived and worked overseas, born beyond our shores. Some 31% of the workforce was born outside of Australia.

Ausbil Women in Super 2024

All female employees were offered “Women in Super membership” in 2024. Women in Super is a national advocacy and networking group for women employed in the superannuation and wider financial services industries.

These memberships reflect the on-going commitment that Ausbil has to development in our employees.



“

Ausbil continues to increase the number of females in its workforce and has implemented inclusive recruitment practices

”

Developing the social aspects of our business

“

Ausbil celebrates our inclusiveness, respect and a sense of belonging for all staff regardless of cultural background through Harmony Day

”

Harmony Day

Ausbil celebrates our inclusiveness, respect and a sense of belonging for all staff regardless of cultural background through Harmony Day. Employees were invited to bring a dish that represents their nationality and to share facts about their cultural background at the Ausbil Harmony Day morning tea. Ausbil had representations from a number of different cultures across Asia, South America, Middle East and Europe. This was a great event that celebrated the cultural diversity at Ausbil.



Developing the social aspects of our business

International Women's Day

Ausbil continues the sponsorship of the Elladex International Women's Day breakfast in 2024. Ausbil opened up this opportunity to all employees to participate in this event which explored the topic of #countherin from guest speakers:

- Antoinette Latouff – Journalist and Media Personality, who spoke about incorporating a more diverse range of voices, lived experiences, identities, and cultures.
- Lynda Edwards – Indigenous financial leader who spoke about the importance of inclusive financial services for First Nations people and the major difference it makes when First Nations people like herself are directly involved in informing policy and advocating for better ways of engaging Indigenous communities.
- Yumi Stymes – Author, Media Personality who shared her first hand experience in media and print and explored the concept of freedom of speech.

International Women's Day is an important day to recognise the achievements of gender representation and the on-going challenges ahead.



“

International Women's Day is an important day to recognise the achievements of gender representation

”

Developing the social aspects of our business

“

We self-assessed and navigated through some of the strengths of each style and how best to work with them

”

Elladex Leadership Class

On 3rd May 2024, there was an Elladex Masterclass on Leadership. It was a great opportunity to take the time out to focus on our own development. About 30 Ausbil employees discussed, explored and learnt about different leadership styles. We self-assessed and navigated through some of the strengths of each style and how best to work with them.



Developing the social aspects of our business

Mother's Day Classic

On Mother's Day, May 12th 2024, a team of Ausbil employees participated in the Sydney Mother's Day Classic which is a fundraising walk to support the National Breast Cancer Foundation. Ausbil is an on-going supporter of Breast Cancer, a cause that is close to our hearts - one of our former employees was diagnosed with breast cancer. Ausbil is a founding silver sponsor of the Canberra Mothers Day Classic.



“

Ausbil is an on-going supporter of Breast Cancer, a cause that is close to our hearts

”



Developing the social aspects of our business

“

Our internal talent were given the opportunity to be matched to a mentor to support them through their career and developmental goals

”

Mentoring Program

Ausbil has also relaunched the Ausbil Mentoring Program in July 2024. Our internal talent were given the opportunity to be matched to a mentor to support them through their career and developmental goals.

There are 5 pairs of mentees and mentors whom participate in the 12 month mentoring program which includes 1:1 mentoring relationship between mentee and mentor. Employee development templates and support from the HR manager were offered. The feedback on this mentoring program has been positive and we are proud to be supporting the career goals of our talent.



Developing the social aspects of our business

Global Mental Health Day

In October 2024, Ausbil hosted an internal morning tea featuring guest speaker Tim Hewson, who addressed the important topic of Men's Mental Health. As part of our ongoing commitment to workplace health and safety, we aimed to raise awareness about mental health and promote our Employee Assistance Program along with other support services.



“

We aimed to raise awareness about mental health and promote our Employee Assistance Program along with other support services

”

Developing the social aspects of our business

“

Ausbil employees participated in the JP Morgan Corporate Challenge which offers staff the opportunity to gather outside of work and enjoy the benefits of fitness

”

JP Morgan Corporate Challenge 2024

On 23rd October 2024, a team of Ausbil employees participated in the JP Morgan Corporate Challenge which offers staff the opportunity to gather outside of work and enjoy the benefits of fitness, friendly competition, food and fun.



Developing the social aspects of our business

OZ Harvest 2024

On 15th November 2024, a team of Ausbil employees participated in a volunteering day for OZ Harvest. Employees prepared/cooked meals for vulnerable communities. OZ Harvest is a charity that promotes sustainability, with the usage of food that may have been thrown out from supermarkets. There was lots of collaboration in the kitchen, and it was a great day for Ausbil employees to collaborate and show care for the community.



“ Ausbil employees participated in a volunteering day for OZ Harvest. Employees prepared/cooked meals for vulnerable communities ”

Developing the social aspects of our business

“

This event is another meaningful way we live out Ausbil's value of care

”

St Lucy's Fundraising Gala Dinner

On 16th November 2024, a team of Ausbil employees dined at Dockside Darling Harbour for St Lucy's School Fundraising Gala Dinner. St Lucy's is a school that supports children with special needs. This event is another meaningful way we live out Ausbil's value of care.



Developing the social aspects of our business

100 Women in Finance

On 27th November 2024, Ausbil hosted a round-table discussion with 27 members of 100 Women in Finance in the Ausbil boardroom.

The discussion covered how corporate stewardship professionals develop engagement frameworks and goals, and how they conduct meetings with company management to discuss critical ESG issues.

Måns Carlsson OAM, Ausbil's Head of ESG & Co-Portfolio Manager, Active Sustainable Equity Fund and Stella McMullen, Ausbil's Deputy Head of Equities Research, provided their insights on the day and presented their views to the group.



Safety and wellbeing

Ausbil is committed to ensuring a safe workplace with healthy and happy employees. Our operations are office based and we have a Workplace Health and Safety Policy that provides a framework for our approach to safety that is relevant for the risks faced by our workforce. Ausbil participates in health and well-being practises such as offering flu shots to employees, having an Employee Assistance Program (EAP) which offers confidential counselling and also provides appropriate ergonomic equipment. First aid training is provided to the employees who are First Aid Wardens and regular building training is provided to the employees who volunteer as Fire Wardens.

“

Our entry level talent were given the opportunity to be matched to a mentor to support them through their career and developmental goals

”

Human rights and supply chains

“

Ausbil has submitted a Modern Slavery Statement under the Modern Slavery Act (MSA) as a voluntary submission

”

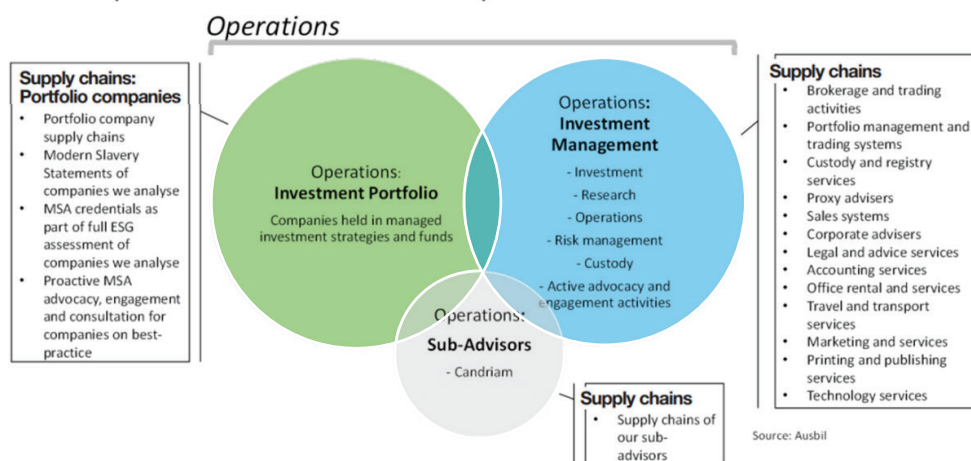
Human rights and supply chains

Ausbil is passionate about human rights and our ESG research team have advocated and engaged on this issue with listed companies in Australia and overseas. Ausbil has submitted a Modern Slavery Statement under the Modern Slavery Act (MSA) as a voluntary submission (Ausbil is not currently required to do so under the Act) to the Attorney General Department. A copy of the statement can be found on our website or the government database.

Ausbil is in the privileged position as an investment manager to engage and positively impact across our own supply chains, and the supply chains of the companies we invest in. Figure 3 illustrates how we break down our own supply chains, and how through our investment portfolios we can advocate and engage with Australia's largest companies on the MSA. Through our equity holdings in these companies, we are often able to exert material influence for improvement and change. This is a role we take seriously.

Figure 1: How Ausbil deals with modern slavery risk in our supply chains

Ausbil: Spheres of influence and exposure



Human rights and supply chains

Initial assessment work of modern slavery risks in our supply chains started in 2020 and it has progressed each year. This process is managed by the Ausbil Sustainability Committee. Initially, the focus was on mapping out the Tier 1 supply chain and assessing which suppliers had the most significant risk to modern slavery and human rights. Further work has been done to build up an understanding of the risk management approaches of suppliers that are medium and high risk with an annual spend materiality threshold of at least \$5,000 per annum. In the reporting period, new suppliers to Ausbil have been assessed accordingly, and suppliers have also been engaged, including those that demonstrated relatively weaker risk management controls with requests for more information and signing up to our Supplier Code of Conduct.

In October 2024, Ausbil became the first corporate partner to sign up with the Domus 8.7 modern slavery remediation service. This partnership with Domus 8.7 is a natural evolution in our work in highlighting the need to take real and immediate action on modern slavery wherever we can.

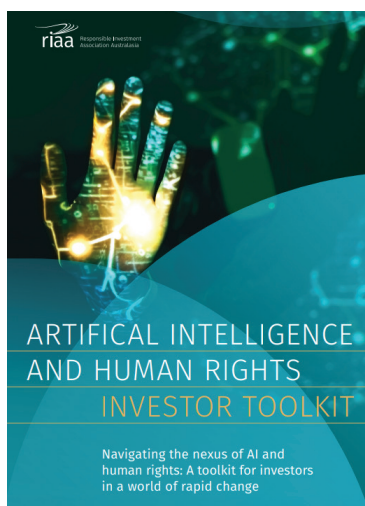
Domus 8.7 provides advice, remediation and prevention services in response to modern slavery. Domus 8.7 recognises the complexity of modern slavery issues and the unique needs of each business or organisation. Remediation services are designed to be flexible and collaborative whilst ensuring that each party maintains its independent and confidential approach.

Ausbil has explicit internal policies, including a Supplier Code of Conduct, to influence the composition of suppliers. Ausbil also has a modern slavery procedure that provides guidance to employees on how to report instances of modern slavery or human rights abuses identified in the business or supply chain.

In early 2024, Ausbil contributed to and co-signed a letter addressed to the Attorney General in investor support for the Australian Government establishing a National Victims Compensation Scheme for Modern Slavery.

Ausbil's ESG team has been an author of toolkits in collaboration with the Responsible Investment Association of Australasia (RIAA) on the issues of human rights and Indigenous People's rights in recent years. In 2024, Ausbil co-authored the Artificial Intelligence and Human Rights Investor Toolkit designed to help investors navigate the rapidly evolving artificial intelligence space and the impacts it could have on people.

To date, Ausbil has not identified any instances of suspected modern slavery risks in our supply chain.



“
Initial assessment work of modern slavery risks in our supply chains started in 2020 and it has progressed each year

”

Community and workplace giving

“

For donations to selected charities, Ausbil has undertaken to match up to \$500 per employee per year to help further promote a culture of charitable giving

”

Community and workplace giving

Ausbil encourages our employees to volunteer and make donations to charities and participate in charitable events. In 2021, we introduced our Workplace Giving Program which enables staff to contribute pre-tax salary to Ausbil's selected charities, or pre-tax to a charity of their choice. For donations to selected charities, Ausbil has undertaken to match up to \$500 per employee per year to help further promote a culture of charitable giving.

Ausbil supports pre-tax giving to the following charities

Focus Area	Charity
Global Aid	
Health	
Social	
Indigenous	
Climate Change	

Ausbil has also supported organisations and charity events such as The Remarkable Women/ Elladex (International Women's Day Event), National Breast Cancer Foundation, Women in Super (Mother's Day Classic), and Financial Industry Community Aid Program (Sydney Fundraiser).

Improving our environmental impact

Improving our environmental impact

Ausbil has actively pursued advocacy and engagement initiatives concerning climate change, environment, and biodiversity.

In the past year, Ausbil co-signed the 2024 Global Investor Statement to Governments on the Climate Crisis, which calls on governments to act on climate change. This follows similar statements in recent years that Ausbil has signed. The statements highlight that much more action is needed if governments are to meet the goals of the Paris Agreement. Specifically, the statement calls on governments to ensure the NDCs are aligned with the Paris Agreement, implementation of domestic policies and taking early action, contribute to the reduction in non-CO2 emissions (and support the Global Methane Pledge), and more.

Ausbil has been advocating with industry, including a number of positive engagements with the Minerals Council of Australia. Ausbil has made significant progress on its proprietary climate change scenario analysis which should assist in deeper engagements with companies on climate change. Ausbil has also conducted analysis of the biodiversity risks and opportunities which is an area of rising interest given the deep interconnectedness between climate change and biodiversity.

Ausbil has undertaken several climate-related engagements with leading Australian companies, including in the resources and energy sectors.

Ausbil has focused on our own consumption of energy and overall environmental footprint. Ausbil's head office in Sydney at Grosvenor Place was built with smart design in mind, including the implementation of sustainable technologies, to deliver energy and water improvements. Analysis shows our office as residing in a significantly efficient building for its vintage, with Grosvenor Place holding a 3.5 star NABERS energy rating, 3.5 star NABERS water rating, 6.0 star NABERS waste rating (third highest waste rating in Australia) and is a Climate Active certified carbon neutral building.

In the past year, Ausbil has actively researched and explored strategies to reduce its carbon and environmental footprint, including transitioning to green energy for office electricity, evaluating carbon offset options, identifying opportunities in business travel and exploring eco-friendly alternatives for office supplies. We expect to continually assess all our options and consider them as long as they are economically feasible. In 2024, Ausbil decided to switch to GreenPower Accredited electricity through our energy provider for our Sydney office, which supports the production of electricity from accredited renewable sources such as solar, wind and biomass. We should see that electricity switch roll out in 2025.

Furthermore, 100% of the base build electricity supplied is accredited green power resulting in zero emissions from our share of the building's facilities. Our office utilises LED lighting with sensor controls, and we participate in an extensive recycling program to manage our waste.

“

In 2024, Ausbil decided to switch to GreenPower Accredited electricity through our energy provider for our Sydney office

”

Improving our environmental impact

“

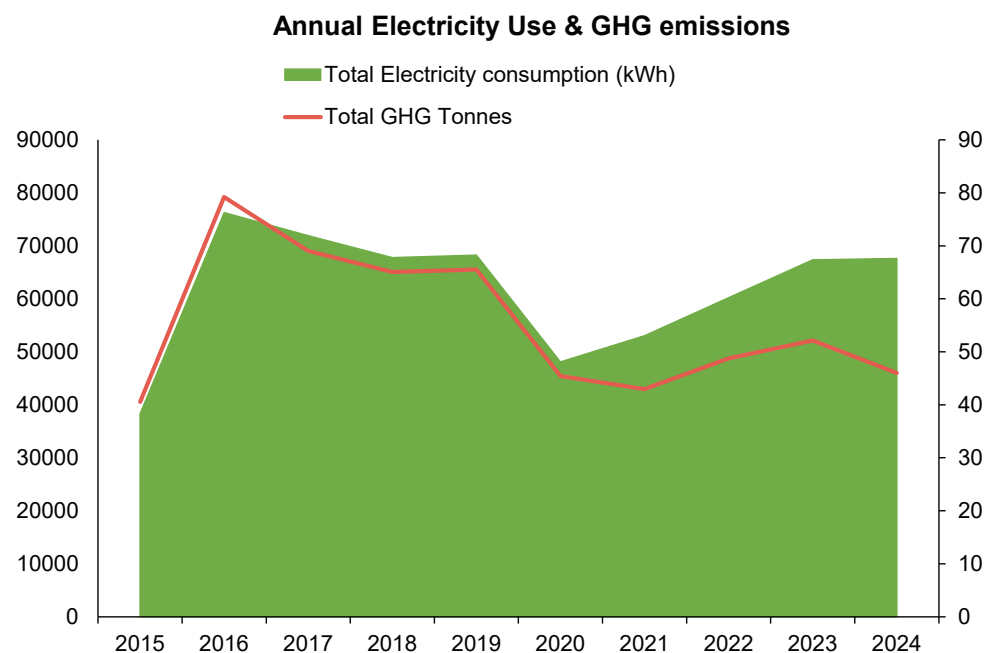
Energy use in the office has returned to normalised levels circa 2018-2019 and remains at lower levels than pre-2018

”

Our overall emissions impact is low as we operate in an office environment, however, we continue to seek ways we can reduce our overall environmental impact. We recognise that we can still play our part in actively monitoring and improving our carbon footprint where possible. Our energy provider, Energy Australia, has shared the data on our office electricity usage and greenhouse gas emissions, as illustrated in Chart 1.

Energy use in the office has returned to normalised levels circa 2018-2019 and remains at lower levels than pre-2018. Fluctuations in energy use relate to employees working from home during the peak of the pandemic in 2020 and 2021 and waves of new variants in 2022.

Chart 1: Electricity consumption and emissions have been falling while our business has been growing



Source: Ausbil, Energy Australia, as at 31 December 2024.

Notes

[illegible]

Disclaimer

This material is issued by Ausbil Investment Management Limited ABN 26 076 316 473, AFSL 229722 (**Ausbil**) as at December 2024 and is subject to change. The material is not intended to provide you with financial product advice. It does not take into consideration the investment objectives, financial situation or needs of any person. For this reason, you should, before acting on this material, obtain professional advice from a licensed financial adviser and read the relevant Product Disclosure Statement which is available at www.ausbil.com.au and the target market determination which is available at www.ausbil.com.au/invest-with-us/design-and-distribution-obligations.

The views expressed are the personal opinion of the author, subject to change (without notice) and do not necessarily reflect the views of Ausbil. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market. The actual results may differ materially from those expressed or implied in the material. Ausbil gives no representation or warranty (express or implied) as to the completeness or reliability of any forward-looking statements. Such forward looking statements should not be considered as advice or a recommendation and has such should not be relied upon.

To the extent permitted by law, no liability is accepted by Ausbil, its officers or directors or any affiliates of Ausbil for any loss or damage

as a result of any reliance on this information. While efforts have been made to ensure the information is correct, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions. Any opinions expressed are those of Ausbil as of the date noted on the material and are subject to change without notice.

Figures, charts, opinions and other data, including statistics, in this material are current as at the date of publication, unless stated otherwise. The graphs and figures contained in this material include either past or backdated data, and make no promise of future investment returns.

This material may include data and information (including research, quotes, commentary) from a third party. While we believe that the data and information to be reliable at the time of the material, we make no representations or warranties as to its accuracy or completeness.

This material may include data and information (including research, quotes, commentary) from a third party. While we believe that the data and information to be reliable at the time of the material, we make no representations or warranties as to its accuracy or completeness.

All trademarks, logos and brand names are the property of their respective owners. The use of the trademarks, logos and brands does not imply endorsement.