



E&P FINANCIAL GROUP

---

# Sustainability Overview FY23

---

Financial year ended June 30

---

This document may contain general advice or is factual information and was prepared without taking into account your objectives, financial situation or needs. Before acting on any advice, you should consider whether the advice is appropriate to you. Seeking professional personal advice is always highly recommended. Where a particular financial product has been referred to, you should obtain a copy of the relevant product disclosure statement or offer document before making any decision in relation to the financial product. Past performance is not a reliable indicator of future performance. The information may contain statements, opinions, projections, forecasts and other material (forward looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. E&P Financial Group, its related entities, officers, employees, agents, advisors nor any other person make any representation as to the accuracy or likelihood of fulfillment of the forward looking statements or any of the assumptions upon which they are based. While the information provided is believed to be accurate at the time of publication, E&P Financial Group takes no responsibility in reliance upon this information.



# Contents

“  
This year, we are proud  
to have made significant  
progress on our emissions  
reductions and community  
engagement programs.

Peter Anderson – Managing Director and CEO

2	FY23 Highlights
4	Foreword
6	About Us
8	Our ESG Framework
12	Business Ethics and Integrity
16	Client Experience
20	Human Capital Management
26	Community Engagement
32	Sustainable Investment
38	Climate Change and Resource Management



# FY23 Highlights



**7,400+ clients and families**

provided with access to quality financial services



**40% women on E&P Board and Investment Committee**

37% across all staff



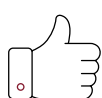
**58% decrease in GHG footprint<sup>1</sup>**

operational greenhouse gas (scope 1 and 2) emissions reduction vs. FY22



**\$217 million+**

in committed client FUA across our sustainable investment product suite



**Top 5 rated intern program**

Australian Association of Graduate Employers (AAGE) Top 40



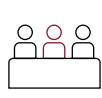
**55.5% of energy from renewable sources<sup>2</sup>**

vs. 14.9% of energy consumed in FY22



**117% increase in funds raised<sup>3</sup>**

\$350,000 raised for community organisations through E&P and staff



**Philanthropy Australia**

joined in 2023



**543MWDC of solar assets managed<sup>4</sup>**

through US Solar Fund

Note: All data unaudited, as at 30 June 2023

1. Scope 1 and 2 emissions only, using market-based carbon accounting methodology.

2. Legislated RPP of 18.96% (FY22: 18.64%) included using market-based accounting methodology.

3. Compared to community donations and contributions in FY22. Excludes industry sponsorships.

4. Includes combined portfolio of plants that are wholly or partly owned by US Solar Fund.





# Foreword

We are pleased to bring our clients, people, and shareholders our annual sustainability overview. This document outlines our Environmental, Social and Governance (ESG) expertise and key achievements for the FY23 period.

This is the second publication of our sustainability overview. It reports on performance against our material ESG issues and offers a snapshot of our future ambitions.

As a leading diversified financial services group, we have long recognised the importance of integrating prudential management of ESG risks and opportunities across all businesses – not just in our investment services, but through our strategy, governance, and operations. To this end, we are proud to have made significant progress in several areas this year, including across our climate mitigation and community engagement programs.

During the FY23 period, we took significant steps towards operational decarbonisation. By June 2023, all of our Australian offices had entered into renewable energy (Greenpower) procurement arrangements with utility providers and landlords. Not only has this decreased our scope 1 and 2 emissions footprint by 58% compared to our FY22 benchmark, but positions our domestic footprint to be majority scope 1 and 2 carbon neutral for the FY24 period. Climate change mitigation is an important consideration within our corporate ESG framework, and equally, one that is important to society and to our stakeholders.

We also reshaped our firm-wide community engagement program during the period. This included launching a more structured corporate philanthropy program, continuing partnerships with key organisations such as Red Dust, introducing new partners like the Australian Business and Community Network (ABCN) mentoring programs, and encouraging opportunities for greater staff engagement.

As a part of these initiatives, we have made available one additional day per annum of paid volunteer leave for all staff, and implemented a cultural flexibility policy, allowing staff to observe days of cultural significance within their community.

We are also pleased to have formalised several bespoke service offerings within our Wealth business that leverage the sustainable investment expertise we have been developing over prior years. This includes an impact investment asset consulting service and the development of a specialist Not-For-Profit focused investment advisory team. This continues to be an area of growth in both our service offering and client demand. We are committed to remain at the fore of the industry, to best support our clients' impact-oriented investing goals.

In 2023 we have carried out considerable work to progress our ESG framework, introducing regular executive and board reporting, with internal targets, to help drive tangible outcomes. Going forward, we remain committed to upholding these processes to assist with decision-making, transparency, and our growth ambitions.

As always, we value the contribution that all staff, clients and stakeholders make to the long-term success of our organisation. We welcome your feedback and thank you for your ongoing support.



**David Evans**  
Non-Executive Chairman



**Peter Anderson**  
Managing Director and CEO



# About Us

E&P

E&P Financial Group is a financial services business with a history spanning more than 30 years. We provide quality, financial advice for private, institutional, and corporate clients.

We are focused on delivering long term value to all stakeholders, including our clients, our people, and our shareholders. We recognise the importance of sustainability in meeting these objectives and seek to ensure our business operations and investment services are aligned accordingly.

EVANS &  
PARTNERS

E&P

 Claremont Global

EVANS & PARTNERS  
GLOBAL  
DISRUPTION  
FUND

 CD PRIVATE  
EQUITY  
FUND SERIES

## E&P Wealth

Premium private wealth management business with presence across Not-For-Profit, Family Office, high-net-worth and mass affluent retail client spectrum, underpinned by a contemporary, advice model.

## E&P Capital

Leading boutique provider of corporate advisory, capital markets, institutional broking and research, occupying a unique position in the market due to client relationships, scale and focus.

## E&P Funds

High quality equity fund managers with an increasingly diverse investor base.

# Our ESG Framework

## E&P Material Issues



### Governance and conduct

Business ethics and integrity

Client experience



### Social capital

Human capital management

Community engagement



### Natural capital

Sustainable Investment

Climate change and resource management



Our framework is underpinned by six ESG topic areas that are deemed material to E&P’s ongoing success. These span governance and conduct, social and natural capital.



### Business ethics and integrity

How we use culture, governance, accountability, processes, and controls to conduct our operations.



### Client experience

How we meet our objectives of delivering client-first outcomes. This includes investment performance, complaints, data and, privacy protection.



### Human capital management

How we attract, develop and retain the skills and talent of our people.



### Community engagement

How we create value for communities through philanthropic activities and partnerships.



### Sustainable investment

How we consider environmental, social and governance (ESG) factors in our investments and advisory activities.



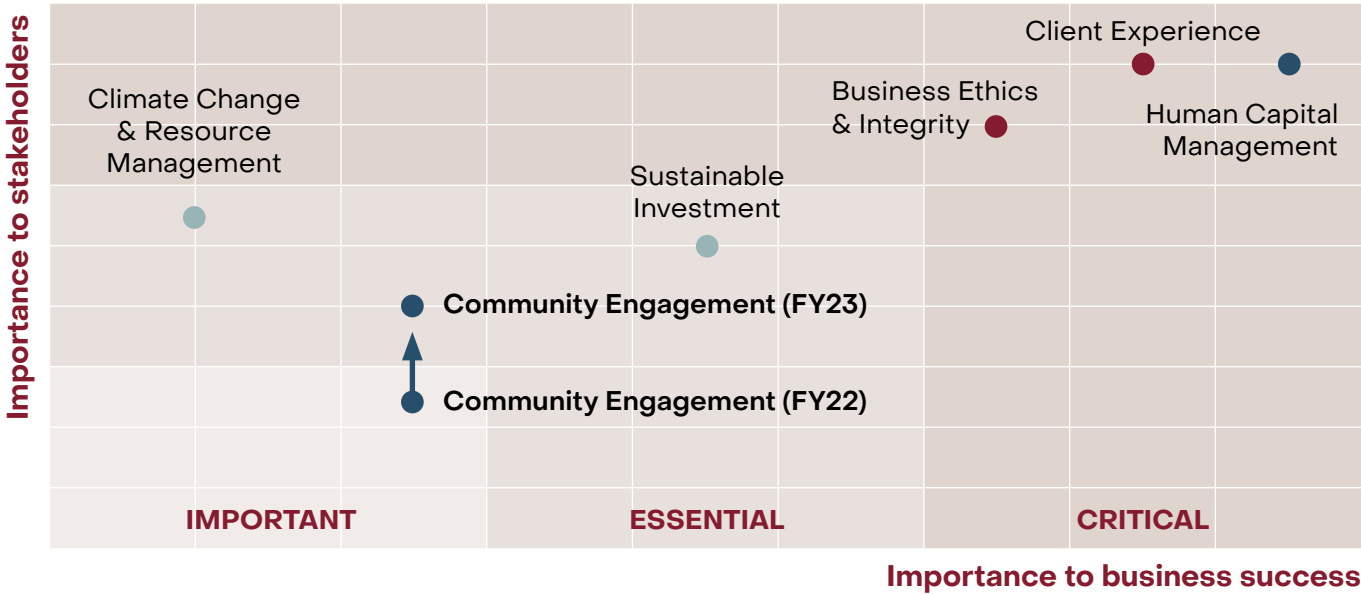
### Climate change and resource management

How we manage the risks and opportunities presented by climate change and reduce the environmental impact of our operational activities.



Our ESG framework and reporting approach is informed by materiality. This ensures our sustainability programs and approach addresses the topics of greatest importance to the business and our stakeholders. The materiality map below categorises our material ESG issues via importance to stakeholders and importance to business success.

E&P Materiality Matrix



To ensure that our framework and initiatives have adequate oversight, during FY23 additional governance and reporting practices were established. Cross-divisional line-managers now complete quarterly, ESG related measurement, monitoring, and reporting of sustainability metrics across each key topic area – with progress reported to the executive management team and Board on a similar frequency.

As a part of regular reporting, we have also introduced initial internal targets, benchmarks, and internal controls to manage data quality. We have also expanded our data capture to monitor additional performance measures relating to our material issues – with a number included within this report (where comprehensive data exists).

It remains our ambition to continue refining our corporate ESG framework, including working towards alignment with larger scale reporting frameworks over the longer term.

How do we determine materiality?

To determine materiality, we consider the priorities of key stakeholder groups including both clients and employees. During FY23, we reviewed our materiality matrix to ensure it remains accurate and relevant. Following the completion of a groupwide employee survey, Community Engagement has been elevated with respect to its importance to stakeholders. This is reflective of the responses collated through this process.

E&P Governance Framework

E&P FINANCIAL GROUP BOARD OF DIRECTORS

People, Nomination and Remuneration Committee

Audit, Risk and Compliance Committee

CHIEF EXECUTIVE OFFICER

Chief Financial Officer

Chief Risk Officer

Executive Management

E&P Wealth

E&P Funds

E&P Capital

Enviornmental, Social & Governance

People and Culture

Risk and Compliance

IT and Technology Solutions

Finance & Corporate Strategy

Facilities and Procurement





# Business Ethics and Integrity

Business ethics and integrity are critical in realising outstanding service and rewarding investment outcomes. E&P’s core values are embedded in the way we act, our culture and our policies. These ethical standards are set out in the Group’s Code of Conduct, which outlines the expectations for all employees.

## Policy and Process

There are numerous mechanisms in place to track, monitor and manage risks that may result in client or stakeholder detriment, due to our conduct or that of third parties. Across the organisation, we have numerous policies and procedures that foster a culture of high ethical accountability. This includes:

- Firm-wide Enterprise Risk Management Framework.
- Incident and Breach Management Policy.
- Whistleblowing Policy.
- Code of Conduct.
- Fraud and Corruption Policy.
- Conflicts Management Policy.
- Information Barriers Policy.
- Market Misconduct and Insider Trading Policy.
- Securities Trading Policy.
- Consequence Management Policy.

## Selected performance metrics

	For the period ended	
Governance and oversight	FY22	FY23
E&P Financial Group Board: independent directors (%)	40%	40%
E&P Investment Committee: independent members (%)	40%	40%
Core FUM <sup>1</sup> with external (non-related party) responsible entity (%) <sup>1</sup>	71%	100%
Professional integrity		
Employees completing mandatory training obligations (%) <sup>2</sup>	100%	100%
Advisers completed National Adviser Exam (number)	84	92
Conduct		
Whistleblowing reports (total number received and upheld)	0	0
Internal fraud events (number of material events)	0	0
AML/CTF breaches (number of reportable breaches)	0	0

1 Core FUM includes Global Disruption, International (Claremont), Fixed Income and Private Asset (CD Funds) strategies.  
2 Employees completing statutory continuous professional development (CPD) requirements.



## Modern Slavery

E&P employs a Modern Slavery risk management framework with several initiatives having been introduced over the last three years. This includes the staged introduction of a supplier code of conduct, robust supplier and investment due diligence, and additional staff training. This approach prioritises proactive supplier screening and engagement. Our approach and performance are detailed each year in our annual Modern Slavery Statement.

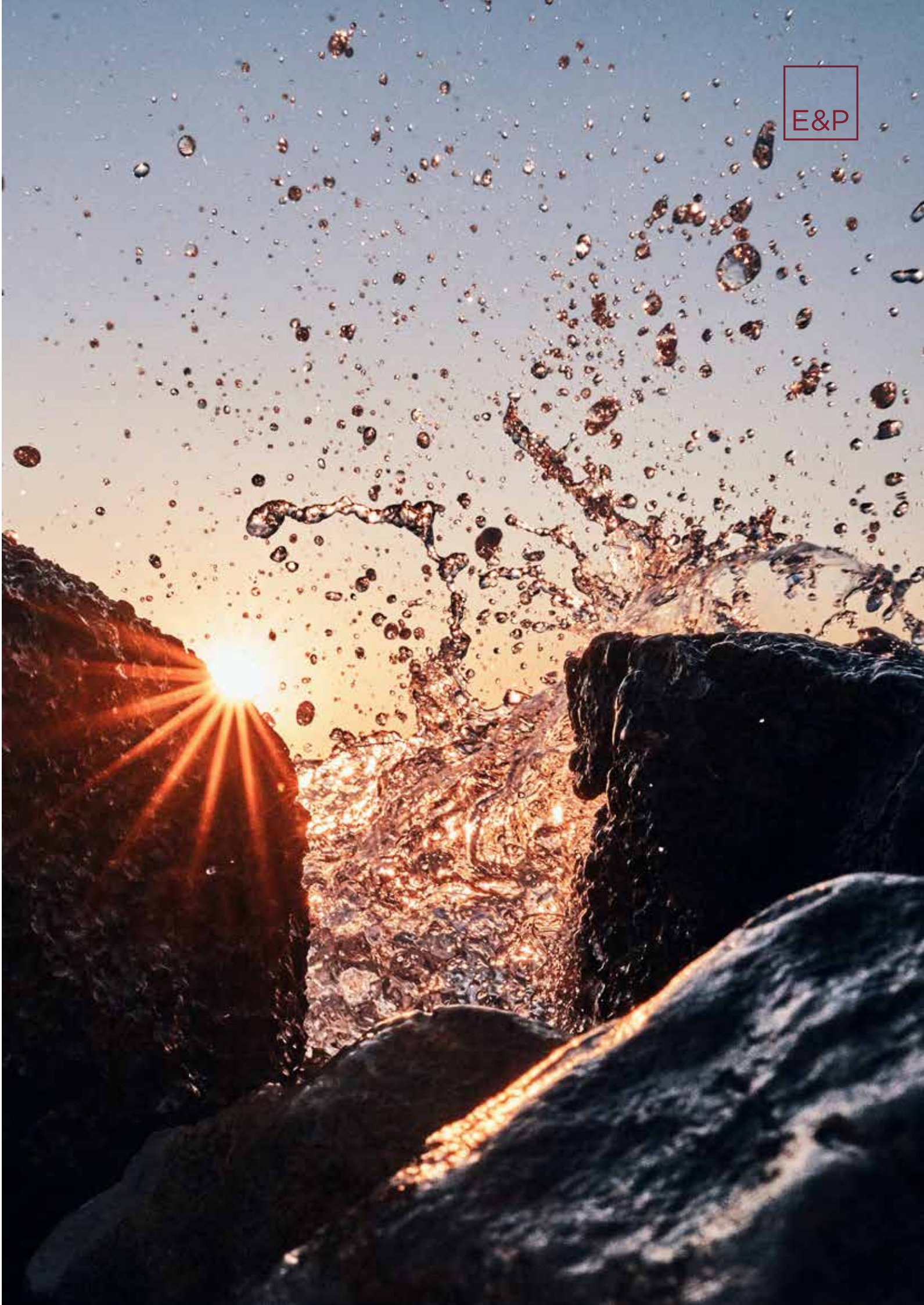
## Integrity and Conduct

Our trusted people are employed based on their integrity and values and are expected to remain up-to-date on risk and compliance requirements, stakeholder expectations and industry best practice. Employees must complete ongoing mandatory training and policy attestations to ensure they are continually aware of E&P's high standards. Furthermore, our advisers and associates undertake regular ethics training through their Continuing Professional Development (CPD) requirements.

## Improvements to our risk culture and framework

In FY23 we embedded several initiatives to further strengthen our risk framework and culture, to improve governance, accountability and promote ethical behaviour of all staff. These initiatives included:

- Embedded enhancements to the enterprise-wide risk management framework including further operationalisation of the third-party vendor program.
- Completion of a deep dive review of the Group's key risks and risk appetite.
- Enhanced Risk & Compliance training and communication programs.
- Continued development of reporting and analytics in E&P's Governance, Risk and Compliance tool.
- Completed effectiveness testing and enhanced Consequence Management framework.
- Updated risk reporting to include additional bullying, sexual harassment and discrimination metrics.
- Updated risk reporting KRIs to include additional ESG related metrics.





# Client Experience

E&P

## Client Satisfaction

At E&P, our primary business is to provide quality financial services for private, institutional and corporate clients. We strive to maintain long-term relationships, by providing exceptional service, rewarding investment outcomes, and a high degree of trust and integrity.

### E&P Wealth

Within E&P Wealth, the business continues to focus on delivering new and improved client services with initiatives across FY23 including:

- Enhanced private client research offering with frequent publications covering our key macroeconomic and ESG insights – including the launch of a new online quarterly ‘Roadmap’ publication.
- Increase in client events and seminars with a focus on education. This included the launch of a dedicated Family Investment Office and Not-For-Profit specific series of educational events.
- Maintenance and development of ESG data management and systems including the launch of ESG portfolio reporting and impact asset consulting services.
- Additional investment made into advice regulation technology and adviser training to expand capability and improve client outcomes.

### E&P Capital

The E&P Capital team continued to strengthen its platform from a coverage and origination standpoint through senior recruitment in target sectors across both Corporate Advisory and Equity Research. During FY23, coverage and access was expanded across several industries and market segments including Energy & Resources, Industrials, Banks, and Media & Telecommunications.

### E&P Funds

E&P Funds focused on several value realisation initiatives for investors to provide desired liquidity. In FY23, more than \$453 million was returned to investors via buy backs and capital returns. This included:

- New Energy Solar capital returns of \$316 million to investors.
- CD Private Equity Funds returns of \$49 million to investors.
- Orca Global and Asia capital return of \$87 million to investors during the wind-up process, with a second capital return to occur in FY24.
- Progression of the US Residential Property Fund asset sale program, having now completed US\$225 million of asset sales since initiation with proceeds utilised for debt reductions and buybacks.

### Client Complaint Metrics

	For the period ended	
	FY22	FY23
Total client complaints (number) <sup>1</sup>	133	30
<b>Complaints by division</b>		
Wealth (number) <sup>1</sup>	94	13
Funds (number)	39	17
Capital (number)	0	0

<sup>1</sup> FY22 complaints include legacy Dixon Advisory and Superannuation Services business (DASS)



## Investment Performance

The E&P Funds strategies achieved strong investment performances in FY23. Since inception returns remain solid across the E&P Funds product suite with approximately 73.1 per cent of funds under management (FUM) either ahead of benchmark since inception or generating a positive net asset value return. Pleasingly, our core equities strategies continued to receive recognition as industry leaders throughout the year, with Claremont Global participating in the Sohn Hearts and Minds conference and investment portfolio. In addition to enhanced investor engagement, we also expanded access to our International Focus and Disruption portfolios on key platforms, with the strategies now included on the HUB24 platform.

### Performance of E&P Funds Under Management (FUM) via Asset Class since inception, (Total returns to 30 June 2023)

			Unit price	
Core Equities	FUM (\$M) <sup>3</sup>	Inception date	Return (P.A.) <sup>4</sup>	Vs Index
Orca Global Disruption Fund <sup>1</sup>	160	25 Jul 17	12.2%	0.8%
Evans & Partners Global Disruption Portfolio <sup>1,2</sup>	172	1 Sep 16	13.8%	2.3%
Claremont Global Fund <sup>1</sup>	121	18 Feb 14	14.3%	3.0%
Claremont Global Fund (Hedged) <sup>1</sup>	220	18 Feb 14	11.5%	2.8%
Evans & Partners International Focus Portfolio <sup>1,2</sup>	760	20 May 11	15.9%	3.6%
Fixed Income				
Evans & Partners Active Income Portfolio <sup>1,2</sup>	52	14 Jun 11	4.0%	1.8%
Real Assets	FUM (\$M) <sup>3</sup>	Inception Date	Return (P.A.) <sup>4</sup>	NTA
US Solar Fund plc (LSE: USF)	692	16 Apr 19	(4.0%)	3.1%
US Masters Residential Property Fund (ASX: URF)	989	28 Jun 11	(10.0%)	(3.1%)
Private Investments				
Cordish Dixon Fund I (ASX: CD1)	43	13 Aug 12	10.8%	12.5%
Cordish Dixon Fund II (ASX: CD2)	91	5 Apr 13	9.6%	10.9%
Cordish Dixon Fund III (ASX: CD3)	145	26 Jul 16	14.7%	15.6%
Cordish Dixon Fund IV <sup>1</sup>	281	30 Apr 18	N/A	15.3%
CVC Emerging Companies Fund I <sup>1</sup>	32	1 May 19	N/A	3.3%
Venture Capital Opportunities Fund (Square Peg) <sup>1</sup>	35	17 Jul 18	N/A	18.5%

<sup>1</sup> Unlisted funds or managed account portfolio.

<sup>2</sup> Illustrative performance of a \$10,000 investment after fees since inception with dividends reinvested.

<sup>3</sup> Gross funds under management, unaudited as at 30 June 2023. Past performance is not a reliable indicator of future financial performance.

<sup>4</sup> All returns are total returns (annualised if beyond one year), inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to 30 June 2023 and exit unit price from this date, if applicable.

<sup>5</sup> Unit price and NTA provided for listed registered managed investment schemes only.

<sup>6</sup> Represents Australian dollar equivalent gross assets.

## Data Security and Client Privacy

We manage cyber security and uphold client privacy through a framework of rigorous internal controls and the utilisation of reputable, third-party providers. Our Privacy Policy is designed to provide information about how we collect, store, use and disclose personal information. We take appropriate steps to protect the personal information of our clients and staff, from interference, misuse, loss, unauthorised access, modification or disclosure. Security measures adopted to protect client data include:

- A dedicated Director of Cyber Security to oversee data protection, and specialist consultants.
- Reasonably restricting staff access to personal information (right of least privilege).
- Employment contracts include confidentiality requirements that encompass personal information.
- IT/electronic security systems, including firewalls, anti-virus, anti-spam, anti-malware protection software, data encryption, dark web monitoring and database password management.
- Office security systems, including restricted physical access and secure storage.
- Use of document shredders and appropriately qualified e-waste providers for secure disposal of written and electronic information.
- Explicit data and privacy policies, such as the Data Breach Response Plan.
- Continued refinements of the Business Continuity and Disaster Recovery Plan.
- Privacy impact assessment and questionnaire for material third parties, during onboarding and ongoing engagements.
- Mandatory ongoing data security training awareness program, including completion of monthly security awareness training and appropriate disciplinary action for breaches.
- Internal 'phishing' campaigns to educate and test staff vigilance and responsiveness to cyber threats.
- 24/7/365 Security Operations Centre (SOC) partner providing ongoing investigation, detection and incident response, while maintaining a retainer for critical cyber event management.
- Introduction of a secure messaging system for advisers and clients to communicate outside of email for personal and financial information.
- Annual ethical hacking/penetration testing by independent specialists.

### Security and Privacy Metrics

	For the period ended	
	FY22	FY23
Attempted data breaches (total number detected) <sup>1</sup>	5,669	10,120
Successful malicious attacks (total number material)	0	0
Reportable privacy incidents and notifiable data breaches (number) <sup>2</sup>	0	0
Employee cyber security training sessions average completion rate (%)	90%	89%
Cyber security training completed (number of minutes per FTE)	39	70

<sup>1</sup> Includes impersonation attacks, malware and malicious attachments detected.

<sup>2</sup> Incidents reportable to the Office of the Australian Information Commissioner.





# Human Capital Management

## Health, wellbeing, culture and engagement

As our greatest asset, our people are the largest contributor to client satisfaction and business success. Human capital management shapes our ability to service clients, remain relevant to our stakeholders and operate as a high performing and efficient business. We recognise the ongoing necessity to support, retain and diversify human capital, to ensure long-term business success.

### Wellbeing

During FY23, we continued to expand staff wellness offerings. Our wellbeing programs address physical, mental and emotional health, and actively supports financial and social wellbeing. We understand that market-leading productivity and client outcomes are only possible if our people are healthy, happy and engaged.

New initiatives to support staff wellness include:

- Wellness week, focussed on mindfulness, social connections, nutrition and healthy habits.
- Recognition of R U OK Day in September 2022.
- The launch of Converge's EAP wellbeing app.
- Launched a new Cultural Flexibility Policy that recognises religious or significant cultural events relevant to an individual's own culturally diverse heritage or beliefs.

### Engagement

In FY23, our employee numbers reduced as we made strategic moves to exit our real assets business. We strengthened our focus on internal culture and made significant enhancements to our performance and career paths to provide greater clarity to our people on their career.

As a people-based business, maintaining an engaged workforce is directly linked to the performance of our business. E&P launched its inaugural Engagement & Culture Survey with a view to getting an accurate pulse on how we lead, motivate, engage and communicate with our employees. The survey provided invaluable data and a launchpad towards a program of culture enhancing initiatives into FY24.

## Recruitment & Wellbeing Metrics

	For the period ended	
	FY22	FY23
Offers made to females undergraduate/intern program (%)	52%	Graduate: 49% Intern: 52%
Staff commenced Parental Leave Program (Number)	32	15
Voluntary return to work rate following PLP access (% accessed)	100%	100%
Staff accessing Employee Assistance Program (Number)	Not applicable	21
Staff accessing Employee Assistance Program (% FTE)	Not applicable	7%



## Diversity & Inclusion

### Policy and Process

We believe that a diverse workforce is critical to the firm’s success. We also recognise diversity is a prevalent challenge within the broader financial services industry that our organisation must continue to address.

In FY23, our Diversity Policy was expanded to a Diversity & Inclusion Policy. E&P is committed to supporting diversity of gender, age, ethnicity, sexual orientation, disability, and religious beliefs, as outlined in the policy.

Diversity refers to the variety of differences, unique experiences and identities between the people at E&P. Inclusion refers to a culture that embraces and supports all people regardless of their differences.

### Diversity Targets

Through the Group’s Diversity & Inclusion Policy, the E&P Board sets measurable objectives towards improved diversity. In FY23, the E&P People, Nomination and Remuneration Committee (PNRC) agreed to maintain the same objectives encompassing senior executives and our workforce generally for FY23 and beyond.

The agreed targets were achieved:

- To not have less than 30 per cent of each gender on the Board at all times.
- To make offers of employment to women under the Graduate and Intern Programs which on a rolling three-year basis average circa 50 per cent of the total number of offers made.
- In the medium term, to target overall gender ratios consistent with or better than industry metrics (subject to availability of data).

### Workplace Flexibility

We endeavour to provide a flexible and supportive working environment for our staff. We offer a range of workplace flexibility options, including our Flexible Working Policy and Cultural Flexibility Policy, allowing greater flexibility for our people to observe days of personal cultural and community significance.

### Additional Leave Programs

We offer leave programs, beyond standard legislative requirements, to support the wellbeing of our employees and their families. Primary paid parental leave is offered to both men and women (on top of the Government Paid Parental Leave Scheme), and all staff have the option to purchase additional annual leave. E&P was an early adopter of supporting employees who experience family or domestic violence outside of work, with the introduction of their Domestic & Family Violence Leave Policy in 2013.

### Anti-discrimination

We believe that our people deserve to be treated based on their merits and performance and have a right to enjoy a workplace free of discrimination, as outlined in our Fair Treatment Policy.

### Promoting Equity and Inclusivity

During FY23 we undertook significant work to understand and benchmark gender pay alignment. This includes implementing quantitative like-for-like gender pay analysis, industry benchmarking and gender mix reporting.

This coincided with firm-wide engagement on our evolving gender diversity program and strategy, and the launching of a Diversity Working Group.

In FY23 E&P also recognised International Women’s Day with an external guest speaker. Chloe Hosking, a professional cyclist, shared reflections on equity, and advocating for change in a traditionally male dominated sport.

### Diversity Metrics<sup>1</sup>

	For the period ended			
	FY22 % Female	Total Staff	FY23 % Female	Total Staff
Total employees	39%	427	37%	358
E&P Financial Group Board	40%	5	40%	5
E&P Investment Committee	40%	5	40%	5
Key management personnel (ex. Board Directors)	0%	2	0%	2
Other executives & managers (ex. KMP)	28%	111	23%	65
All other employees	43%	304	40%	281

<sup>1</sup> Including full time, part time and contracted staff.



## Learning & Development

### Development Opportunities and Support

E&P recognise that learning and development opportunities play an important role in both employee and client experiences. E&P offers study leave support and clear staff progression pathways, to support employees with learning, development and career progression.

Our people undertake both mandatory and voluntary training, overseen by a dedicated Learning & Development team. Training is delivered via internal training platforms, through Kaplan‘Ontrack’and in-person. In FY23, we refined the Mandatory Training process resulting in clearer expectations for all employees and increased on-demand training available to all roles. New mandatory training on Anti-Bullying & Anti-Harassment, Work Health & Safety and Discrimination & Equal Employment Opportunity was launched and completed by all employees.

In FY23, we introduced an improved internship program, and further enhanced the Associate and Advisor training capability across the firm.

### Performance & Career Pathways

We believe that all staff should have access to a clearly defined career path relevant to their role and have a performance framework that supports development individual to their needs. In FY23, E&P commenced the roll out of career maps and competency frameworks across the Divisions, and further embedded the revised performance and goal setting framework and performance measurement approach.

### External Recognition for Intern Program (2023)

E&P was awarded 5th place in the Top 50 Intern programs by the Australian Association of Graduate Employers (AAGE) for its 2023 intern program. This achievement marks a shift from Graduate hiring to sourcing graduates directly from our intern program.

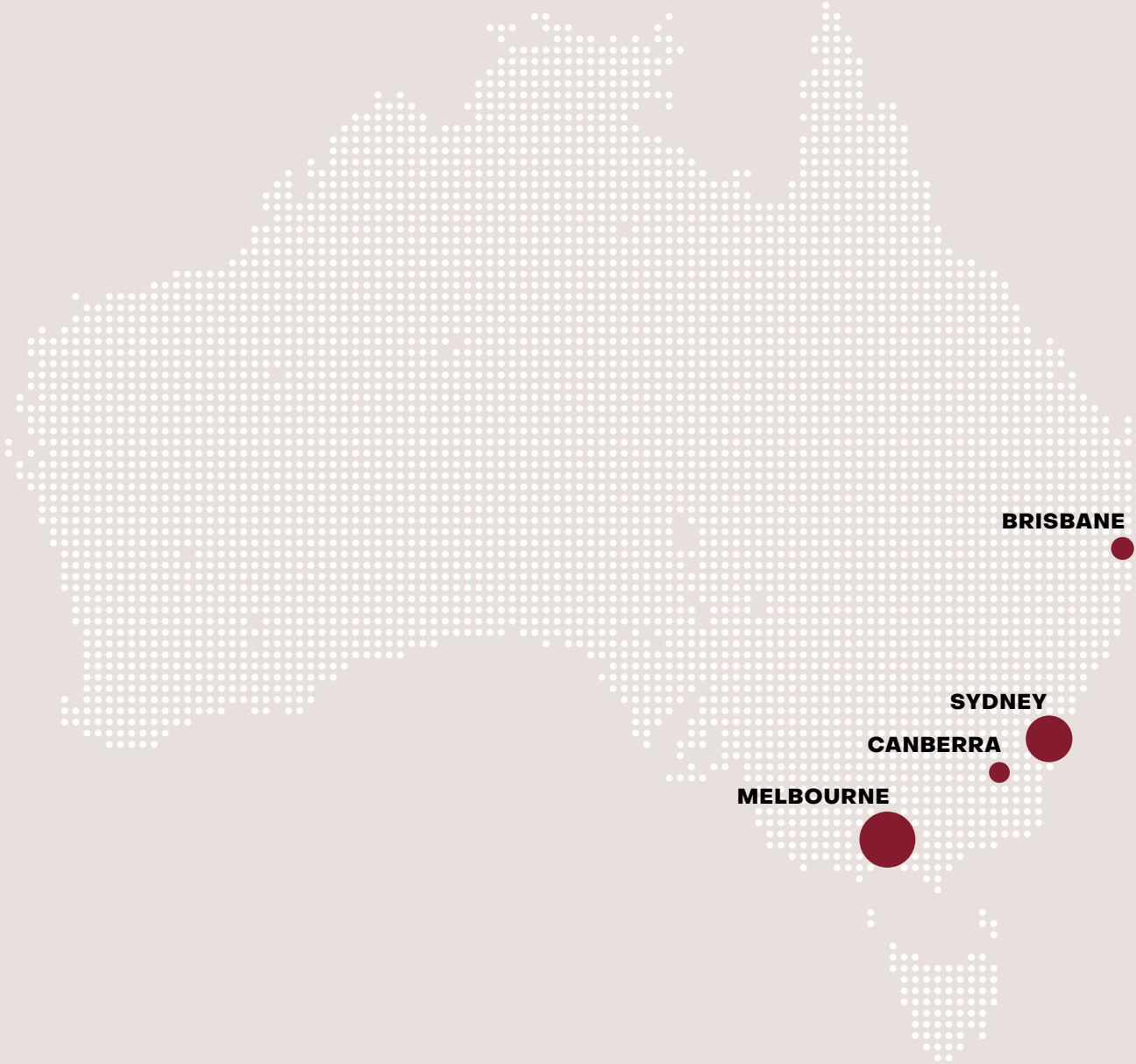
AAGE Top 50 Intern Program



### Learning & Development Metrics

	For the period ended	
	FY22	FY23
Total training hours completed (total hours)	6,400	11,321
Internal training content completed (hours)	2,311	4,292
External training content completed (hours)	4,089	7,029
Training hours completed per staff member (hours per FTE)	15.8	37.4
Staff accessing study leave (number)	34	30
Staff accessing study leave (% FTE)	8%	10%

### Geographic location of E&P employees



### Employee numbers by type/location<sup>1</sup>

Total employees (number)	358
Permanent (number)	333
Temporary (contract/casual) (number)	25
Employees by location: Australia (number)	343
Employees by location: International (US/Hong Kong) (number)	15

1. Including full time, part time and contracted staff.



# Community Engagement



E&P seeks to make a positive contribution to the communities in which we operate through philanthropic, fundraising, volunteering and community engagement activities. This includes corporate initiatives, as well as supporting our clients to realise their own community engagement and philanthropy goals.

In FY23, E&P supported a diverse range of important community causes, with contributions made via both E&P and staff to over 30 unique organisations.

## Supporting Philanthropy

During FY23, E&P became a member of Philanthropy Australia. Our membership represents our support for the giving sector and complements our existing client services. Through this partnership, Philanthropy Australia also delivered formal CPD training to our PWM teams – to enhance their knowledge and increase support for the sector.

During the year, E&P hosted multiple events, supporting fundraising of philanthropic endeavours to our staff client network. This included:

- Vision Australia 'Making an Impact' seminar.
- The Funding Network fundraising evening.
- Melbourne Women's Fund Morning tea.
- Lifeline Canberra training.
- NFP director education series.



## Firm-Wide Community Framework

During FY23, E&P expanded our community engagement program, supporting local and national charities and foundations through a structured program of volunteering, participating, and donating. We aim to have as many of our people as possible support initiatives that add value in the communities in which we live and work. Donation matching was reintroduced, and a paid Volunteer Leave program was launched. This also coincided with measures for increased staff engagement, focused partnerships and ongoing reporting processes to senior management.

### Community Contribution Statistics

	For the period ended	
	FY22	FY23
E&P Financial Group direct community giving (\$,000)	\$66.2	\$106.8
E&P Financial Group community and industry-based sponsorship (\$,000)	Not Measured	\$59.7
E&P employee supported giving and fundraising (\$,000)	\$95.2	\$243.2
Total community contribution ex. industry sponsorship (\$,000)	\$161.4	\$350.0
E&P Financial Group direct community giving ex. industry sponsorship (\$/'Underlying NPATA)	0.6%	1.8%



## National Partners

E&P has committed to supporting two charitable organisations nationally – for FY23 this included ABCN and Red Dust.

### ABCN

The Australian Business & Community Network (ABCN) has a vision for all young Australians to reach their potential in the future world of work, regardless of socio-economic background. They connect volunteers, including E&P staff, with students from low socio-economic backgrounds to provide fun, workplace-based mentoring programs that promote confidence, skills and aspirations that help them thrive in their future workplace.

E&P committed to delivering 7 programs in the 2023 calendar year across Canberra, Melbourne and Sydney. We were also pleased to host several students for work experience, following their involvement in the ABCN mentoring programs.



### Red Dust

Red Dust's mission is to enrich lives, improve health and strengthen the future of Indigenous youth and families. They achieve this by delivering innovative health, well-being and reconciliation programs co-designed in partnership with remote communities. Their programs encourage Indigenous youth and adults to adopt healthy lifestyle choices through the mentoring and influence of positive role models.

E&P is committed to providing financial support to Red Dust, as well as raising awareness of First Nations affairs among our staff. Our teams regularly participate in engagement, learning and fundraising events.



## Local partners

In addition to our national charities, each office supports their own charities or foundations, providing opportunities for staff locally to support causes they are passionate about.

### Sydney: Canice's Kitchen

Canice's Kitchen is a multi-service drop-in centre for people experiencing isolation and homelessness. They offer crisis and long term support services including legal, health, life coaching, counselling and mental health support.

### Canberra: Lifeline

Lifeline is a Not-For-Profit organisation that provides free, 24-hour telephone crisis support service in Australia for suicide prevention services, mental health support and emotional assistance.

### Brisbane: Traction

Traction is a community-based Not-For-Profit helping young people discover, connect and experience positive and successful futures.



### Melbourne: Connor's Run

The Robert Connor Dawes Foundation organises Connor's Run, fundraising for paediatric brain cancer with thousands of runners participating.

### Melbourne: FareShare Australia

FareShare is a food rescue organisation that operates Australia's largest charity kitchens in Melbourne and Brisbane. Its mission is to mobilise volunteers to cook delicious, free meals from rescued, donated and homegrown ingredients to improve the lives of Australians in hardship.

Throughout the year staff also participated in additional ad-hoc community engagement events including the Smith Family Challenge, the Push-up Challenge, and the Salvation Army Christmas Appeal – raising much needed funds for many worthy causes.





Organisations supported in FY23 included







# Sustainable Investment



Today’s societal and environmental challenges cannot be alleviated without the broader financial system and investor community playing an important role. We are proud to offer solutions for clients seeking to invest in line with their values – with a dedicated team responsible for the development of the firm’s sustainable investment capability, providing ESG research and data insights and curating investment opportunities.

## Enhancing Our Services

In FY23, we continued our program of ESG data and user interface enhancements – materially expanding portfolio investment coverage with the addition of managed fund focused ESG data. We also launched proprietary ESG and sustainable development goal (SDG) portfolio reporting for UHWN and family office clients – with broad uptake across key client accounts.

We continued to provide dedicated ESG research across sustainable investment themes and market developments through the Green Shoots research publication – with topic areas including developments in environmental markets. As a part of leveraging our expertise, we also expanded our formal advisory services with the launch of a specialist impact asset consulting offering.

We are proud to provide trusted investment advisory services to a diverse range of Not-For-Profit and community-based organisations – advising in excess of \$2.4 billion across more than 100 clients. Recognising our significant experience and expertise with this cohort, in FY23 we also launched a specialist team – who received additional training on ESG and sustainable investment services.

During the period, we also launched an enhanced ESG learning module – to further upskill our staff. Delivered by both internal and external industry specialists, this was completed by 100% of E&P Wealth associates – while training was also delivered for interns on as part of our annual rotation program.

## Investment Opportunities

E&P Wealth clients have access to a growing range of multi-asset class sustainable investment solutions. These cover fixed income, equities, real assets, and alternatives, with over 30 unique investment options available via platform and direct.

In FY23, our clients supported several impact focused opportunities in a diverse range of areas include social, nature-based and decarbonisation related assets. To date, our clients have committed over \$217 million to a range of sustainable investment opportunities.


### Sustainable Investment Funds Under Advice (FUA)

	For the period ended	
	FY22	FY23
E&P Wealth FUA in sustainable product suite (total \$m) <sup>1</sup>	\$133.6	\$217.5
% full-service clients invested across sustainable product suite <sup>2</sup>	Not Measured	18.0%


1 Excludes related party products such as New Energy Solar and US Solar Fund.  
2 Invested in one or more products.




## Selected Impact Investments supported in FY23



Hamilton Lane Impact Fund II



Future Super



For Purpose Investment Partners Social Impact Fund I

## Industry Engagement

We attended numerous industry events over FY23 to share both thought leadership, and to ensure they stay across industry developments, best practice and innovation. Event attendance and participation included at the Impact Investment Summit, Nexus Australia Summit, Responsible Investment Association of Australasia (RIAA) and Philanthropy Australia conference, along with various other industry events. Our sustainable investment team also shared their knowledge and expertise through active participation in areas such as industry research and working groups as well as speaking engagements at selected seminars and events.

Complementing our external engagement, we also held numerous client events and seminars focused on sustainability topic areas.

This included:

- A dedicated impact investment panel at our ‘Making an Impact’ seminar with guests from Bridges Funds Management, Giant Leap and For Purpose Investment Partners.
- An ASX director lunch series focused on ESG developments in financial markets.
- A Family Investment Office Lunch with Berry Liberman focused on her ‘Journey to Impact’.

## Industry Memberships

Signatory of:



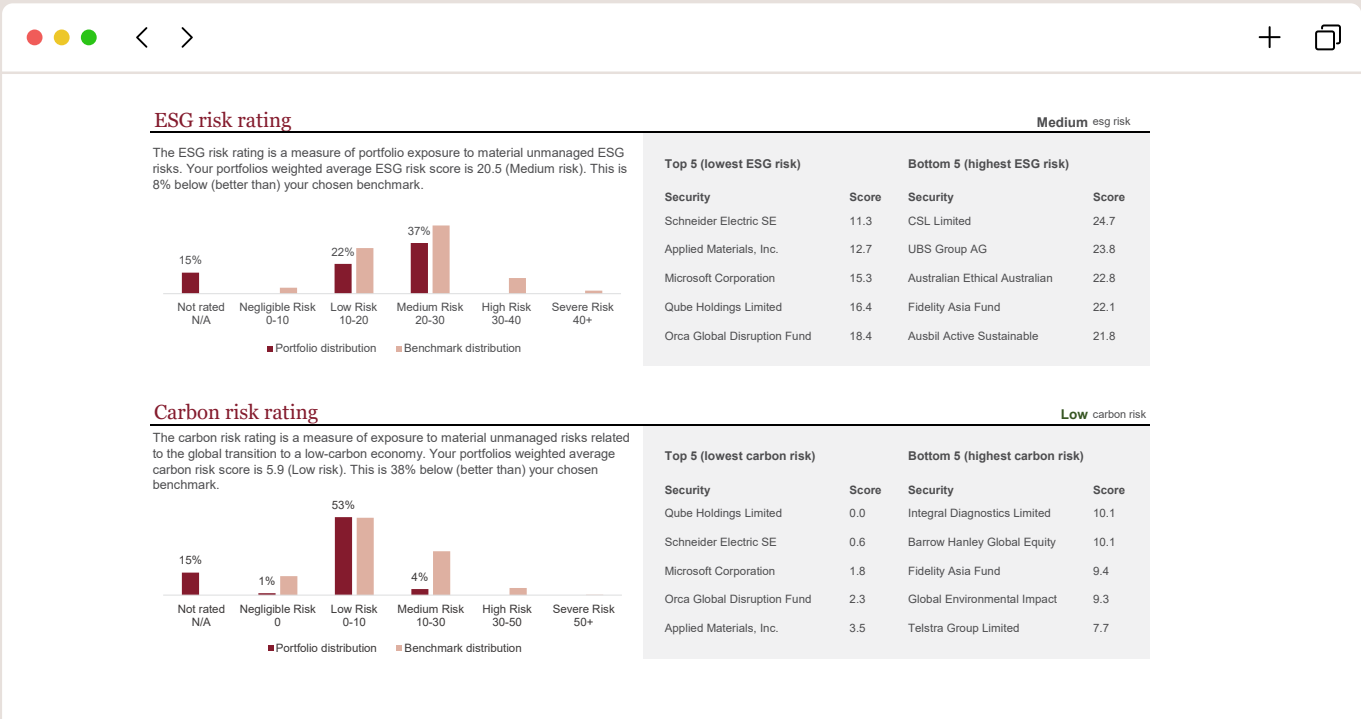
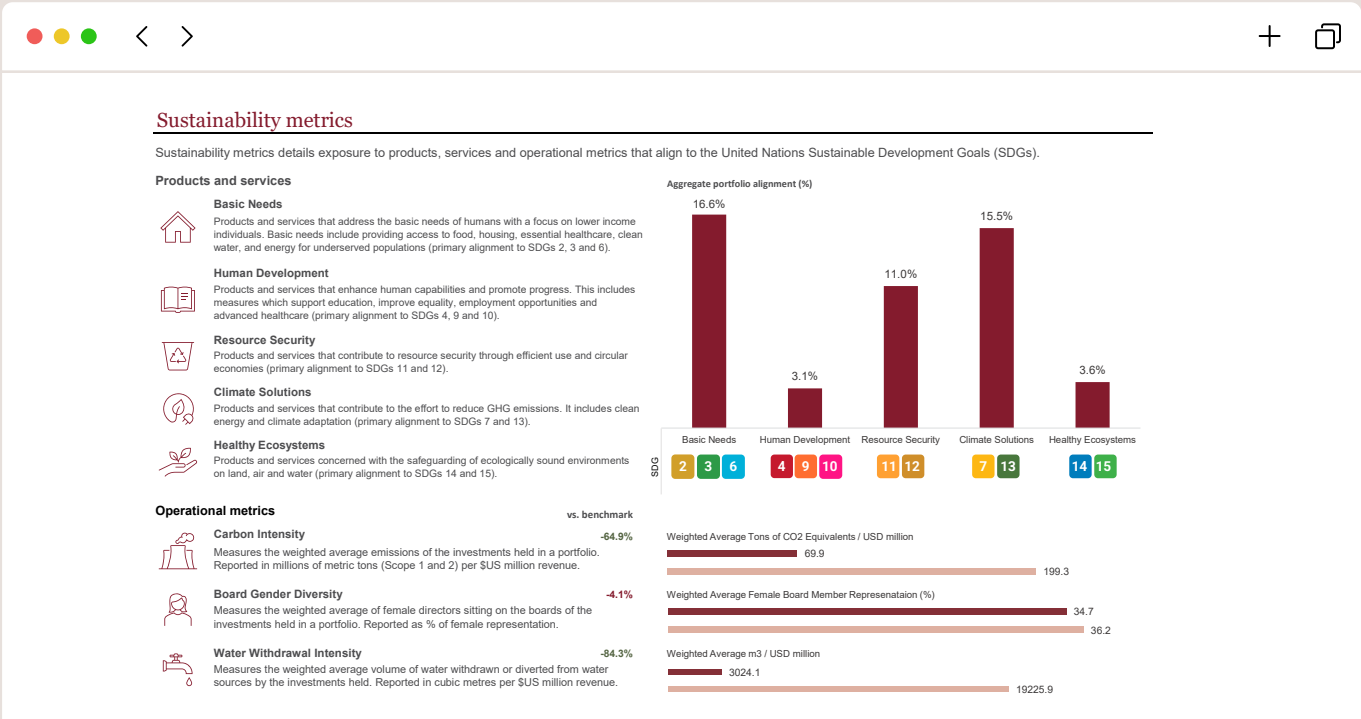
Principles for Responsible Investment



Responsible Investment Association Australasia

Demonstrating our commitment to the sustainable investing sector, E&P, and its asset management teams, are signatories to the United Nations Principles for Responsible Investment (UNPRI). E&P Financial Group also maintains membership with the Responsible Investment Association of Australia (RIAA), and Philanthropy Australia. We strive to support the ecosystem as an engaged member.

## Launch of Evans & Partners Portfolio ESG Reporting





## Incorporation of ESG in Investment Management

- Core E&P Funds strategies have detailed ESG policies and frameworks outlining their approaches to:
- the integration of material ESG considerations into investment decisions.
  - investment exclusions, including positions against both tobacco and controversial weapons for core equities funds.
  - stewardship through voting and engagement with companies where we make a commitment to vote on all proxies, when possible.

During the FY23 period, the ESG policy and processes for several funds were reviewed in detail with modifications expected to be released in FY24. These review processes ensure we are aligning with industry standards, meeting client expectations, and conforming to best practice on integration of ESG risk and opportunities.

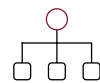
### E&P Funds ESG Integration Statistics

	As at 30 June 2023 \$M
E&P Funds FUM that employs ESG integration and/or negative screening	\$2,444.0
E&P Funds FUM that employs sustainability themed investing	\$717.4

## US Solar Fund

E&P Funds established New Energy Solar Manager (NESM) in 2015, to acquire and manage a portfolio of utility scale solar assets. NESM currently acts as the investment manager for US Solar Fund (USF). USF's portfolio consists of 42 projects across four US states with a combined capacity of 543MWDC and net asset value of approximately US \$320 million. Its assets are fully operational, and generating 90,414 gigawatt-hours (GWh) of renewable energy over the twelve-month period to 31 December 2022, displacing in excess of 600 thousand tonnes of CO<sub>2</sub> per annum.

## US Solar Fund Portfolio Metrics



42  
solar power plants



>1.5 million  
solar panels



543 MW<sub>DC</sub>  
total portfolio capacity<sup>1</sup>



618,000  
Tonnes of displaced CO<sub>2</sub><sup>2</sup>



134,000  
Equivalent US and Australian cars displaced<sup>3</sup>



95,000  
US equivalent homes powered<sup>4</sup>

1 Total portfolio of 543 MWDC includes plants that are wholly or partly owned by USF, equity-adjusted as at 31 December 2022.  
2 US CO<sub>2</sub> emissions displacement is calculated using data from the US Environmental Protection Agency's "Avoided Emissions and Generation Tool" (AVERT).  
3 Calculated using data from the US Environmental Protection Agency.  
4 Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System).





# Climate Change and Resource Management

E&P regards climate change and resource management issues as essential to our stakeholders and long-term business success. This includes not only how we manage climate related risk in our investments, but also how we reduce the environmental impact of our operational activities.

Recognising the importance of climate change mitigation, for society and our key stakeholders, we have achieved significant progress towards Scope 1&2 emissions neutrality, using market-based carbon accounting methodology.

## Offices and Operations

### Purchased Renewable Energy

E&P entered into renewable energy (Greenpower) procurement arrangements for all Australian offices during FY23. This followed extensive engagement with utility providers and landlords that oversee embedded network procurement. Several contracts were in effect for part of the year, contributing to significant reductions in our GHG emission intensity compared to FY22. These will continue to support future reductions.

## Energy Efficiency

E&P also achieved greater energy efficiency during FY23 through reducing our electricity consumption on both an absolute and intensity basis. We consolidated our Sydney offices in 2022 and are proud to occupy several offices with high-performing sustainability credentials, helping to maximise our energy and resource efficiency. We expect to improve this in future periods, with consolidation of our Melbourne office footprint expected in FY24.

### Operational emissions and energy usage<sup>1</sup>

	For the period ended	
	FY22	FY23
<b>Location-based method<sup>1</sup></b>		
Scope 1+2 GHG emissions (tCO <sub>2</sub> -e)	404.4	332.6
<b>Market-based method<sup>3,4,5</sup></b>		
Scope 1+2 GHG emissions (tCO <sub>2</sub> -e)	381.4	157.8
Scope 1+2 GHG emissions intensity (tCO <sub>2</sub> -e/\$m revenue)	1.9	0.8
Scope 1+2 GHG emissions intensity (tCO <sub>2</sub> -e/employee)	0.9	0.4
Energy consumption [total] (MWh)	527.6	464.9
Energy consumption [renewable sources] (MWh) <sup>2</sup>	78.8	261.0
Energy consumption [renewable sources] (%) <sup>2</sup>	14.9%	55.5%

1. Location-based carbon accounting method applied, using emissions factors from the Australian Greenhouse Accounts and EPA.

2. FY22 figures updated to reflect improved data completeness, updated emissions coefficients, and a shift from location-based to market-based carbon accounting.

3. Market-based carbon accounting method applied. Legislated RPP referenced from the Australian Clean Energy Regulator, as at time of publishing, (18.96% in FY23 and 18.64% in FY22 for Australian offices. Due to data limitations, no RPP is applied for USA offices.

4. Calculations include various offices that source GreenPower via utility provider (82%) and landlord group-buyer (100%) arrangements.

5. International office footprint excludes Hong Kong (due to materiality and operational control) and New Jersey from Jan 1 2023 (due to change in relevant management arrangement).



## Scope 3 emissions

While considerable progress was made to reduce operational emissions, we also recognise our responsibility to manage both our upstream and downstream emissions footprint. In future periods, it is our aim to expand emissions measurement, and management, to include additional material indirect exposures (Scope 3) across our supply chains.

## Investment Portolios

We track and monitor the carbon intensity of our core investment portfolios. In addition to the ESG policies of our managed funds, we recognise that this is an important consideration for stakeholders – and we are aware of the potential financial risks associated with climate change. Both Claremont Global and Orca Disruption portfolios exhibit emissions intensity significantly lower than their respective benchmarks.

### Carbon Intensity of selected Core Equities Portfolios

	For the period ended	
	FY22	FY23
<b>Claremont Global Fund</b>		
Carbon Intensity (tCO <sub>2</sub> -e/\$m sales) <sup>1</sup>	13.4	15.4
Benchmark <sup>2</sup>	166.3	134.4
<b>Evans &amp; Partners Global Disruption Fund</b>		
Carbon Intensity (tCO <sub>2</sub> -e/\$m sales) <sup>1</sup>	31.6	21.8
Benchmark <sup>3</sup>	167.8	134.7

1 Source: MSCI ESG, E&P  
2 MSCI ACWI Ex Australia Index  
3 MSCI ACWI Index

### Our Office Footprint



#### Melbourne

- 171 Collins Street maintains a carbon neutral base building (operated by Charter Hall).
- 6-Star NABERS Energy, Indoor Environment and Waste categories.
- 6-Star Green Star Design and As Built.
- 5-Star Green Star performance with 5.5-Star NABERS Water usage.



#### Brisbane

- 1 Waterfront Place maintains a carbon neutral base building (operated by Dexus).
- 6-star NABERS (including GreenPower).
- 5.5-star NABERS Energy (No GreenPower).
- 4.5-star NABERS water.



#### Sydney

- 1 O'Connell St maintains a carbon neutral base building (operated by Lendlease Group).
- 5-star NABERS Energy Rating.
- 5-star NABERS Water Rating.
- WELL Certified Gold and WELL Health & Safety.
- E&P Achieved 5-star NABERS tenancy energy rating.



#### Canberra

- WELL Core & Shell Gold Certification.
- 5-star NABERS Energy when completed in 2020.
- Circa 300kW rooftop solar PV system.