



E&P FINANCIAL GROUP

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# Sustainability Overview 2024

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Financial year ended June 30

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This year we are particularly proud to have launched our inaugural Innovate Reconciliation Action Plan... Our commitment reflects our longstanding purpose – to empower our clients to prosper.

Ben Keeble – Managing Director and CEO

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# FY24 Highlights



**~7,400 clients and families**

provided with access to quality financial services



**40:40:20**

diversity targets introduced across senior leadership and female representation



**Carbon neutral**

operational<sup>1</sup> (Scope 1 and 2) GHG emissions, via renewable energy procurement



**\$2.5 billion+**

in for-purpose<sup>2</sup> capital provided with specialist investment advice



**Innovate RAP**

launch of inaugural Innovate Reconciliation Action Plan (RAP)



**Sustainable office design**

90% of construction waste recycled and 24% of furniture sourced from Indigenous businesses<sup>3</sup> in new fit-out



**\$280 million+**

in committed client FUA across our sustainable investment product suite



**\$340,000+**

raised for community organisations through E&P and staff<sup>4</sup>

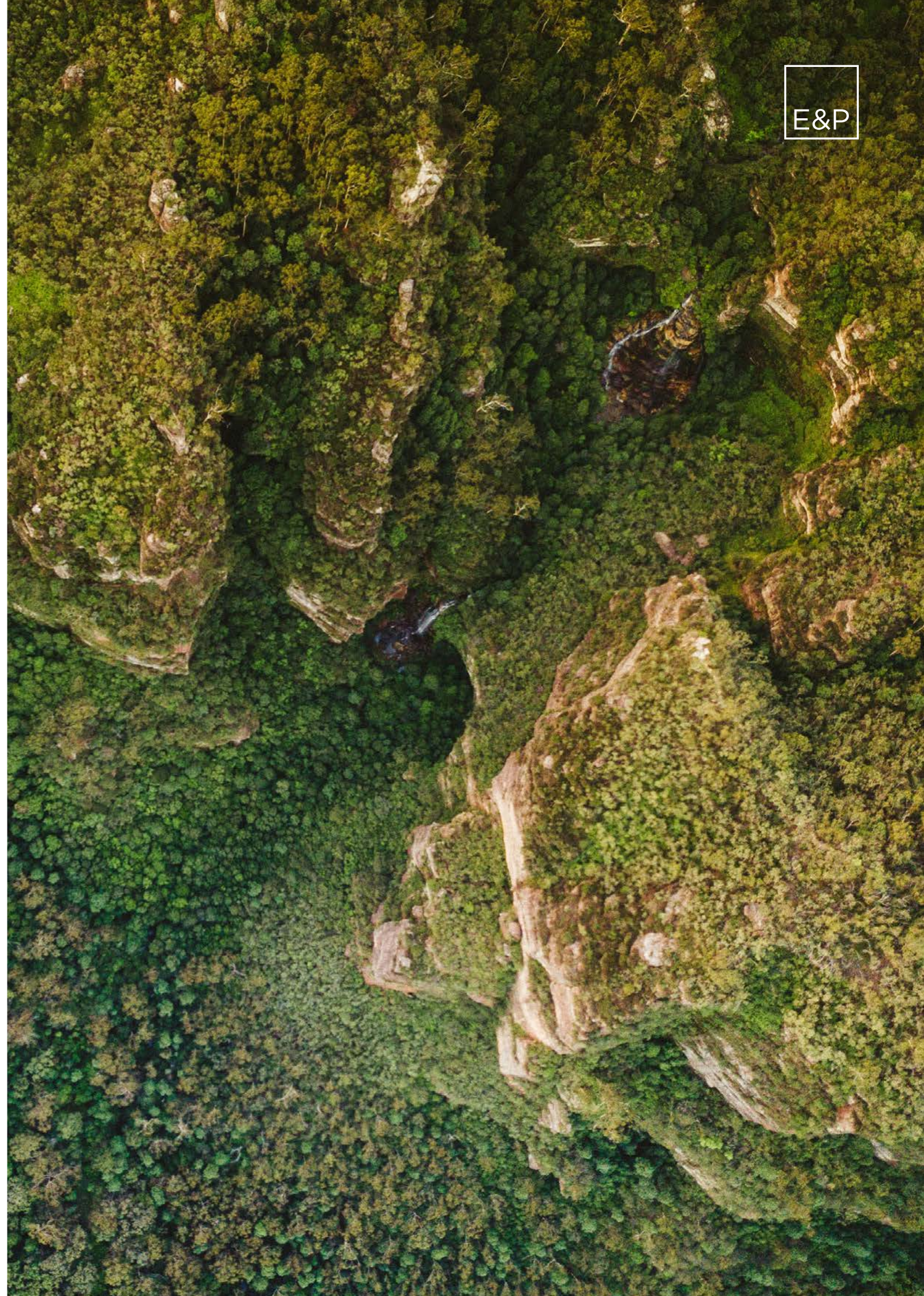


**10%+ decrease**

in total energy consumption (MWh)<sup>5</sup> with improved efficiency across footprint

Note: All data unaudited, as at 30 June 2024

- 1. Scope 1 and 2 emissions only, using market-based carbon accounting methodology.
- 2. For-purpose investors include foundations, endowments and other non-profit organisations.
- 3. Supply Nation registered organisations.
- 4. Excludes industry sponsorships.
- 5. Compared to energy consumption in FY23.



# Foreword

We are pleased to bring our clients, people, and shareholders our annual sustainability overview.

This is the third publication of our sustainability overview and outlines our Environmental, Social and Governance (ESG) performance for the FY24 period across our material issue framework.

At E&P, we have long integrated Environmental, Social, and Governance (ESG) considerations into our corporate strategy, internal governance, and client services. Having launched our formal ESG reporting program three years ago, we have taken significant steps over the course of that journey across both our corporate footprint and in the development of sustainable investment solutions for our clients.

To that end, we are proud to have implemented several key initiatives across our program target areas during the FY24 period:

- We launched our revised Equity, Diversity & Inclusion program. As an organisation we recognise that our workforce must reflect the communities in which we work; our people must feel supported; and that organisations with diverse teams perform better. To help deliver this, we established a cross-divisional Diversity Working Group and set specific, measurable targets to ensure we take the required steps towards a more diverse and inclusive workplace.
- We developed and launched our inaugural Innovate Reconciliation Action Plan (RAP). Our commitment to supporting the self-determination of First Nations peoples and communities echoes our longstanding purpose – to empower our clients to prosper. While we join over 2,700 organisations who have formalised commitments through a RAP, we are particularly proud to be one of only 40 private ‘Financial and Insurance’ companies (as at date of RAP publication) with an Innovate RAP or higher.
- We delivered on our operational emissions reduction program, achieving carbon neutral scope 1 and 2 GHG emissions for the full year. All of our Australian offices are now subject to renewable energy (Greenpower) procurement arrangements with utility providers and landlords. We also embedded sustainability requirements and principles into the design and implementation of our new office fit-out in Melbourne.

- We continue to deliver on our firm-wide community engagement program, including multi-year partnerships with key organisations such as Red Dust, and the Australian Business and Community Network (ABCN) mentoring programs. The E&P Social Committee at each office also coordinates local giving partnerships, to encourage greater staff participation.
- We made further enhancements to our sustainability focused services to ensure we meet a broad set of client needs. Notably, we launched a turn-key Sustainable Core Multi-Asset Portfolio solution that aims to address some of the barriers in accessing professional and streamlined sustainable investment solutions for lower balance investors. Importantly, this initiative harnesses the firm’s extensive ESG intellectual property in a commercial way for the benefit of our clients.

As always, we value the contribution that all staff, clients and stakeholders make to the long-term success of our organisation. While we have introduced several new initiatives, and refined existing ones, we recognise that there is always room for improvement. We are committed to the continual development of our sustainability strategy and look forward to keeping you updated in future.

Thank you for your continued support.

**David Evans**  
Non-Executive  
Chairman

**Ben Keeble**  
Managing Director  
and CEO

# About Us

E&P Financial Group (E&P) is an ASX-listed business delivering financial services across wealth management, corporate advisory, institutional sales and trading and research. We provide high-quality, trusted financial advice for individuals, families, for-purpose organisations, corporates and institutions.

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.



## Our Business

EVANS & PARTNERS



 Claremont Global



### 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

Specialist global fund manager with a portfolio of client assets under management across global listed equities and private equity.

## Our Footprint



**~7,400**  
Private Clients

**\$29.4 billion**  
Funds under advice

**150+**  
Institutional clients

**346**  
Total employees<sup>1</sup>

By type: **323** permanent **23** casual / contract

By location: **342** Australia **4** US / Hong Kong

<sup>1</sup>including full time, part-time and contracted staff

# Our ESG Framework

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

- Business Ethics and Integrity
- Client Experience
- Human Capital Management
- Community Engagement
- Sustainable Investment
- Climate Change and Resource Management

## Our Material ESG Issues



### 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

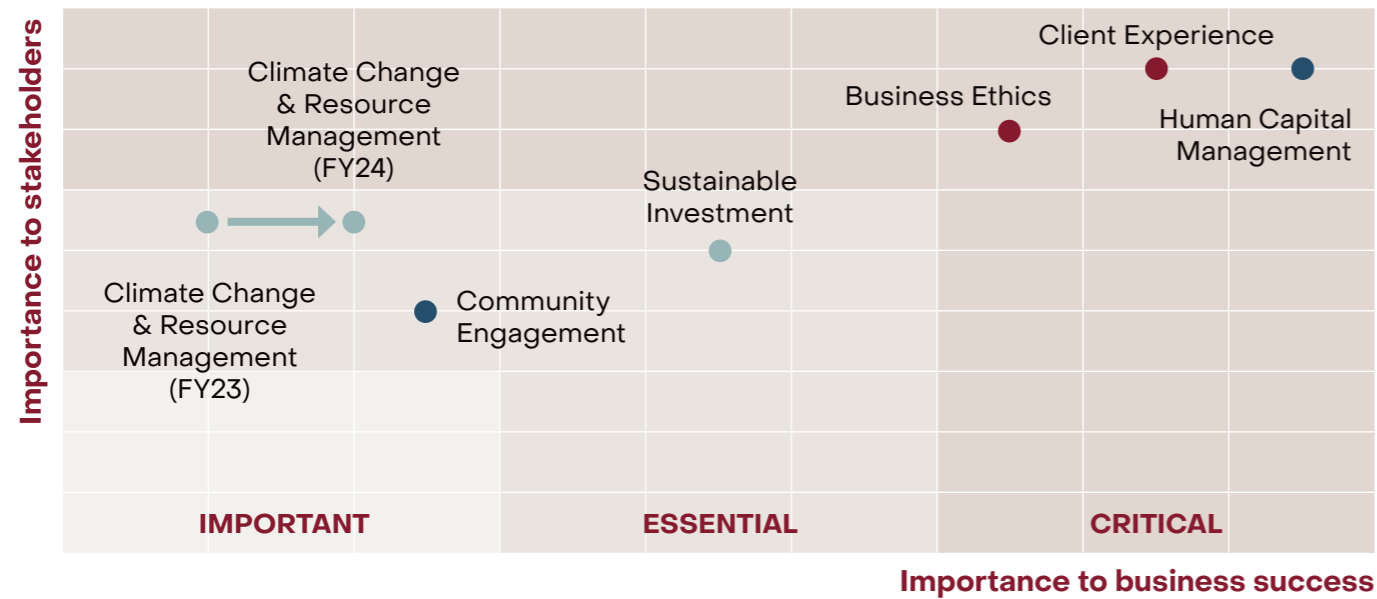
How we consider environmental, social and governance (ESG) factors in our investments and advisory activities.



### 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 Materiality Matrix



Our ESG framework and reporting approach is informed by materiality. To determine materiality, we consider the priorities of key stakeholder groups. This includes clients, employees and broader industry dynamics. This approach ensures our program addresses the sustainability topics of greatest importance to the business and our stakeholders.

The materiality map above categorises our ESG issues via importance to stakeholders and importance to business success.

During FY24, we reviewed our materiality matrix to ensure it remains accurate and relevant. Following review, the materiality of Climate Change and Resource Management has been increased.

This change is largely driven by the rapid evolution of climate-related reporting frameworks and industry expectations, as well as proposed regulatory changes. In response, we have chosen to elevate Climate Change and Resource Management's importance to business success.

## Our Governance Framework

### E&P FINANCIAL GROUP BOARD OF DIRECTORS

People, Nomination and Remuneration Committee

Audit, Risk and Compliance Committee

Target setting and oversight

### CHIEF EXECUTIVE OFFICER

Chief Financial Officer

Chief Risk Officer

Executive Management

Monitoring and strategy

E&P Wealth

E&P Funds

E&P Capital

Environmental, Social & Governance (ESG)

People and Culture

Risk and Compliance

IT and Technology Solutions

Finance & Corporate Strategy

Facilities and Procurement

Quarterly reporting and implementation

# Business Ethics and Integrity

Business ethics and integrity are critical in realising outstanding service and rewarding investment outcomes.

At E&P, our 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

Across the organisation, we have numerous policies, procedures and mechanisms that foster a culture of high ethical accountability. These are 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. During FY24, several were reviewed and updated, such as the Incident and Breach Management Policy and Code of Conduct.

Policies and frameworks across the organisation include:

- Firm-wide 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

## Integrity and Conduct

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

## Selected performance metrics

Governance and Oversight	For the period ended		
	FY22	FY23	FY24
E&P Financial Group Board: independent directors (%)	40%	40%	40%
E&P Investment Committee: independent members (%)	40%	40%	40%
Core FUM with external (non-related party) responsible entity (%) <sup>1</sup>	70.7%	100%	100%
Core FUM with related party (majority independent) responsible entity (%) <sup>1</sup>	29.3%	0%	0%
<b>Professional integrity</b>			
Employees completing mandatory training obligations (%) <sup>2</sup>	100%	100%	100%
Advisers completed National Adviser Exam	99%	100%	100%
<b>Conduct</b>			
Whistleblowing reports (number)	0	0	0
Internal fraud events (number of material events)	0	0	0
AML/CTF breaches (number of reportable breaches)	0	0	0

<sup>1</sup> Core FUM includes International (Claremont), Fixed Income and Private Asset (CD Funds) strategies.

<sup>2</sup> Employees completing statutory continuous professional development (CPD) requirements.



## Improvements to our risk culture and framework

In FY24 we continued to strengthen our risk framework and culture, to improve governance, accountability and promote ethical behaviour of all staff. These initiatives included:

- Appointment of additional Responsible Managers to our Australian Financial Services Licenses (AFSL) to manage key person risks and enhance supervision and monitoring of the AFSLs.
- Refined exception and positioning reporting to the E&P Investment Committee aimed at understanding the causes for deviations from recommended allocations and allowing comparison of portfolios to the strategic and tactical asset allocations.
- Enhanced oversight and automated trade monitoring for products and services operating under a mandate with a Portfolio Manager/Adviser, including pre-trade approval and end-of-day mandate monitoring, and/or liquidity risk threshold monitoring.
- Comprehensive review of our trade surveillance system including a deep dive assessment of parameters and logic to identify and prevent market manipulation and insider trading.
- Operational enhancements to the third-party risk and project management framework oversight and reporting.
- Enhancement of the employee securities trading system to manage insider trading, market manipulation and client priority risks.

## Modern Slavery

E&P employs a Modern Slavery risk management framework with several initiatives having been introduced over the last four years.

E&P undertakes the following processes to mitigate modern slavery risk – overlapping with our broader Third Party Risk Management Framework;

- Staff education and awareness
- Supplier onboarding (including screening and adherence to our supplier code of conduct)
- Due diligence (via self-assessment questionnaires) is undertaken on Suppliers where risks are identified
- Detailed due diligence (via engagement) for high-risk suppliers
- New suppliers adhere to a supplier code of conduct (where applicable)
- Remediation and advocacy (where required)

During the FY24 period, key actions included a review of our registration, onboarding and screening systems, to inform future improvements to system efficacy. Our approach and performance are detailed each year in our annual Modern Slavery Statement.

# Client Experience

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.

## Performance and Satisfaction

### E&P Wealth

Within E&P Wealth, the business continues to focus on improving client outcomes, delivering new and improved services with initiatives across FY24 including:

- Launch of three multi-asset portfolios; Core Income, Core Growth and Core Sustainable which utilise Evans and Partners' asset allocation methodology and investment strategy expertise to provide investors with streamlined access to a diversified portfolio of managed investments.
- Completion of the migration to HUB24 custody service as our technology partner, improving the user experience for our clients.
- Enhanced our dedicated Not-for-profit (NFP) advice program, leveraging the significant expertise of the organisation in managing for-purpose orientated investment portfolios.
- Strengthened our strategic advice offering, ensuring we can provide a more comprehensive advice solution to a greater number of clients.

### Client Complaint Metrics

	For the period ended		
	FY22	FY23	FY24
Total client complaints (number) <sup>1</sup>	133	30	15
<b>Complaints by division</b>			
Wealth (number) <sup>1</sup>	94	13	14
Funds (number)	39	17	1
Capital (number)	0	0	0

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

### E&P Capital

The E&P Capital team continued to strengthen its platform from a coverage and origination standpoint. During FY24, coverage and access was expanded across several industries and market segments including Capital Markets, Fixed Income, Institutional Equities and Healthcare.

The value provided to clients and quality of our E&P Capital team was demonstrated through the excellent results achieved in the Peter Lee Associates Australian Equity Investors Report.

### Peter Lee Associates Australian Equity Investors Survey Results 2023

#### Research:

**Top 5** in eight research categories

**#1** in Technology Research

**#2** in Independence and Objectivity

#### Sales and Trading:

**#1** in Small Cap Trading

**#2** in Capability of Sales

#### Corporate Access:

**Top 5** in Site Visits or Asset Tours

**Top 5** in Unlisted Company Contacts

## E&P Funds

E&P Funds focused on enhanced access for investors through the launch of the ASX listed Exchange Traded Managed Funds for both the hedged and unhedged Claremont Global products. This development adds an important distribution channel to the strategy, complementing the existing unlisted unit trusts, managed discretionary accounts and separately managed accounts in order to ensure a wide array of investors have access to the strategy.

In terms of investment performance, while the shift towards growth focus stocks provided a short-term headwind to the Claremont Global investment philosophy, the fund continued to produce positive absolute returns for investors over the year and has continued to outperform its benchmark since inception. Across the broader E&P Funds investment suite, 100% per cent of funds under management (FUM) are either ahead of benchmark since inception or generating a positive net asset value return.

### Performance of E&P Funds Under Management (FUM) via Asset Class since inception (Total returns to 30 June 2024)

	Inception	Return (P.A.) <sup>4</sup>	vs Benchmark
<b>Multi-Asset</b>			
Evans & Partners Core Income Portfolio <sup>1,2</sup>	3 Oct 23	8.1%	+3.8%
Evans & Partners Core Growth Portfolio <sup>1,2</sup>	3 Oct 23	12.2%	+6.9%
Evans & Partners Core Sustainable Portfolio <sup>1,2</sup>	3 Oct 23	12.4%	+7.0%
<b>Core Equities</b>			
Claremont Global Fund <sup>1</sup>	18 Feb 14	13.3%	+1.2%
Claremont Global Fund (Hedged) <sup>1</sup>	18 Feb 14	10.7%	+0.9%
Evans & Partners International Focus Portfolio <sup>1,2</sup>	20 May 11	15.1%	+2.3%
Evans & Partners Global Disruption Portfolio <sup>1,2</sup>	1 Sept 16	18.3%	+5.8%
<b>Fixed Income</b>			
Evans & Partners Active Income Portfolio <sup>1,2</sup>	14 Jun 11	5.1%	+2.7%
<b>Private Investments</b>			
	Inception	Unit Price Return (P.A.) <sup>4</sup>	NTA Return (P.A.)
Cordish Dixon Fund I (ASX: CD1)	13 Aug 12	9.7%	11.3%
Cordish Dixon Fund II (ASX: CD2)	5 Apr 13	8.8%	10.5%
Cordish Dixon Fund III (ASX: CD3)	26 Jul 16	13.6%	13.6%
Cordish Dixon Fund IV <sup>1</sup>	30 Apr 18	N/A	12.5%
CVC Emerging Companies Fund I <sup>1</sup>	1 May 19	N/A	5.7%

<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 2024.

<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 2024 and exit unit price from this date, if applicable. Past performance is not a reliable indicator of future financial performance.

## Data Security and Privacy

We manage cyber security and uphold client privacy through a framework of rigorous internal controls and the utilisation of high-quality, 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.

Additional security measures adopted throughout FY24 to protect client data include:

- Data Breach Response Plan updated to improve ease of use.
- Cyber-attack and extortion tabletop simulation completed to uplift the preparedness.
- Netskope rolled out to the business with approximately 1/3 completion as of June 2024. This is expected to see considerable improvements in data loss prevention, data governance, web filtering and overall security.

## Security and Privacy Metrics

	For the period ended		
	FY22	FY23	FY24
Attempted data breaches (total number detected) <sup>1</sup>	5,669	10,120	2,349
Successful malicious attacks (total number material)	0	0	0
Reportable privacy incidents and notifiable data breaches (number) <sup>2</sup>	0	0	0
Employee cyber security training sessions average completion rate (%)	90%	89%	84%
Cyber security training completed (number of minutes per FTE)	39	70	120

<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

As our greatest asset, our people are the largest contributor to business success. Human capital management shapes our ability to service clients, remain relevant and operate as a high performing and efficient business. As such, we recognise the ongoing need to support, retain and diversify human capital for long-term business success.

## Culture and engagement

As a part of our ongoing improvement to our Human Capital Management function, in FY24 we developed an action plan relating to Leadership, Values and Social focus areas. This was developed in response to our 2023 Engagement & Culture Survey and subsequent face-to-face discussion groups that helped us understand and finetune how we can best lead, motivate and communicate with our employees.

## Reshaping Our Company Values

During FY24, our firm values were refreshed. Our bottom-up approach afforded all employees the opportunity to contribute to a clear set of values and behaviours. These values are our guiding principles that pave the way for the culture we want.

### E&Ps Firmwide Values



#### Client First

We always put our clients' interests first.



#### Respect & Inclusion

We treat people with honesty, transparency and dignity.



#### Integrity

We are ethical and always act with integrity.



#### Collaboration

We work together so we can lead with the best ideas.



#### Growth & Innovation

We are committed to continuous client, people and business growth.

## Diversity and Inclusion

In FY24, the firm launched a Equity, Diversity & Inclusion Working Group, Strategy and Roadmap. E&P strives to have a workforce that reflects the community in which we work, and the clients that we service. We want to be an employer of choice, attracting and retaining the best talent in the financial marketplace. We want our people to feel supported to bring their full selves to work.

### Our Roadmap for Change

We recognise that a focus on equity, diversity and inclusion will deliver a range of positive outcomes for our people, our clients, and our organisation.

The newly formed Diversity Working Group plays a key role in setting our Equity, Diversity and Inclusion Strategy. The group is initially focused on addressing gender diversity but will expand beyond this in time. The Group is made up of employees across various divisions and seniority, ensuring a balanced representation.

To improve our gender diversity outcomes, we have implemented four clear areas of focus:

- **Recruitment & Career:** We are committed to actively promoting and improving female participation in our workforce. Through targeted recruitment efforts, we seek to attract diverse and qualified women who bring unique perspectives and skills that enhance our organisation.

- **Policies & Practices:** We commit to a regular review of our people policies and practices to attract top talent, support a culture of trust, and drive engagement in our business.
- **Clients & Networking:** We aim to make client and networking opportunities inclusionary and accessible to all regardless of gender, family status or work cadence.
- **Gender Pay:** We commit to annual gender pay analysis to ensure no gender pay differentials.

### Increasing our Diversity Targets

To facilitate improvement in diversity outcomes, in FY24 the Board expanded on the firm's existing gender diversity targets to include areas such as company-wide female representation, 40:40:20 distribution within leadership, promotion pathways, and gender pay.

Progress and outcomes are reported quarterly, and a portion of the CEO remuneration is tied to achieving Gender representation targets.

### Policies and Practices

We continue to enhance and introduce policies that support our people. We ensured alignment with new legislation including Respect @ Work, Right to Disconnect, Casual Conversion, Flexible Working and Psychosocial Safety.

New policies were also introduced on Public Service Leave and Purchased Additional Annual Leave to better support flexible working.

## Updated Diversity Targets



### Female Representation

Year-on-year improvement by 30 June 2025

Increase female representation to 40% by 30 June 2026

Year-on-year improvement in women in revenue generating roles



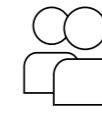
### Promotion

Promotion ratio to remain at 50/50



### Gender Pay

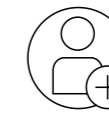
Year-on-year reduction of like-for-like gender pay gap to be no greater than 2% by 2029



### 40:40:20 in Leadership

The Board to maintain 40:40:20 in leadership

Improve representation on the senior leadership team to 40:40:20 by 2029



### Intern & Graduate Recruitment

50% female intern and graduate hires each year by 2025

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

	For the period ended					
	FY22		FY23		FY24	
	% Female	Total Staff	% Female	Total Staff	% Female	Total Staff
Total employees	39%	425	36%	358	36%	346
E&P Financial Group Board	40%	5	40%	5	40%	5
E&P Investment Committee	40%	5	40%	5	40%	5
Key management personnel (ex. Board)	0%	2	0%	2	0%	2
Other executives & managers (ex. KMP)	28%	111	23%	65	22%	83
All other employees	43%	304	40%	281	41%	251

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

## Learning & Development

The development of our people remains a key focus. Our new Elevate Leadership Development program, completed by 15 senior leaders, was designed with industry experts to enhance our leadership culture. An internal coaching program paired early-career Advisers with experienced mentors for growth-focused development. Our intern program supported 13 university students within our PWM, SMSF, and Research teams for practical experience.

Across the organisation, we introduced role-based learning plans, improved access to career development tools, introduced a series for peer-to-peer masterclass training and tailored courses for specific technical and compliance fields. In FY24, we added Respect@Work training alongside our annual mandatory training in Anti-Bullying & Anti-Harassment, Work Health & Safety, and Discrimination & EEO.

Tailored courses developed internally included:

- E&P Induction Program: Addressing organisation, culture, policies, and procedures.
- Strategy Adviser Pathway Program: A 10-week course with online modules, assessments, and in-person classes on financial advice.
- Research and Corporate Advisory Induction: Addressing regulatory obligations and processes for new hires.

### Selected Performance Metrics

For the period ended

<b>Recruitment &amp; Wellbeing</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Offers made to females undergraduate/ intern program (%)	52%	Graduate: 49% Intern: 52%	Graduate: 49% Intern: 52%
Senior female hires / promotions (number / % total promotions)	3 (18%)	0 (0%)	6 (33%)
Staff commenced Parental Leave Program (Number)	32	15	13
Voluntary return to work rate following PLP access (% accessed)	100%	100%	89%
Staff accessing Employee Assistance Program (Number)	Not applicable	21	13
Staff accessing Employee Assistance Program (% FTE)	Not applicable	7%	4%
<b>Learning &amp; Development</b>			
Total training hours completed (total hours)	6,400	11,321	10,219
Internal training content completed (hours)	2,311	4,292	4,641
External training content completed (hours)	4,089	7,029	5,579
Training hours completed per staff member (hours per FTE)	15.8	37.4	34.4
Staff accessing study leave (number)	34	30	29
Staff accessing study leave (% FTE)	8%	10%	10%

# 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.

## Firm-Wide Community Framework

E&P continues to deliver our community engagement program, supporting local and national partners through a structured program of volunteering, participating, and donating.

In FY24, E&P supported a diverse range of important community causes, with contributions made via both E&P and staff to over 40 unique organisations, representing in excess of \$340,000.

### Community Contribution Statistics

	For the period ended		
	FY22	FY23	FY24
E&P Financial Group direct community giving (\$,000)	66.2	106.8	123.0
E&P Financial Group community and industry-based sponsorship (\$,000)	N/A	59.7	48.1
E&P employee supported giving and fundraising (\$,000)	95.2	243.2	221.0
Total community contribution ex. industry sponsorship (\$,000)	161.4	350.0	344.0
E&P Financial Group direct community giving ex. industry sponsorship (\$/underlying NPATA)	0.6%	1.8%	N/A <sup>1</sup>

<sup>1</sup> \$/underlying NPATA calculation unavailable due to negative denominator.

## National Partner Program

E&P has committed to supporting two charitable organisations nationally – for FY24 this included ABCN and Red Dust.

### Australian Business Community Network (ABCN)

E&P supported ABCN for the second year running, across 7 programs and 14 sessions in our Melbourne, Sydney and Canberra offices. Three E&P employees were also selected and matched to provide ongoing 1-on-1 mentoring over 3-years via ABCN's Accelerate Scholarship Program.

The Australian Business & Community Network (ABCN) 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.

### Red Dust

E&P provides 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.

Red Dust deliver innovative health and well-being 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.

## Local Partner Program

In addition to our national charities, each office supports their own charities or foundations, providing opportunities for staff to support causes they are passionate about. They demonstrate the power of our staff leveraging their networks to raise much needed funds for causes that make a lasting difference. Below are three case studies where our staff have made a difference.

### The Smith Family Challenge

Team E&P once again competed in the Smith Family Challenge, covering over 135kms running, kayaking and mountain biking to raise funds for the Smith Family's *Learning for Life* programme. Our team raised over \$80,000 to support disadvantaged kids.



## The Funding Network

E&P hosted our second Funding Network event in Melbourne. Our Staff and guests raised a collective \$138,400 for three grass roots charities. This included:

- **Ocean Mind:** to extend their therapeutic surf program to the Mornington Peninsula, responding to the growing need for mental health programs in the local community.
- **Mountain Track Youth:** to fund the creation of a new social enterprise, creating more opportunities for the young people enrolled in their programs.
- **Worthy Cause:** to fund the expansion of their kitchen operation, growing the number of young people they are able to support through their employment program.



## Aboriginal Investment Group & The Heart Foundation

Our Advisers hosted a fundraising lunch for the Heart Foundation and Aboriginal Investment Group. The Remote Laundries project is driven by Traditional Owners, focusing on access to quality Water Sanitation and Hygiene (WASH) facilities. This can address preventable conditions such as Scabies, rheumatic heart disease and Trachoma.

## Philanthropy Australia Membership

E&P is a proud member of Philanthropy Australia. Our membership represents our support for the giving sector and provides us with best practice information on the philanthropic sector.



## Organisations supported in FY24 included





## Launch of Our Innovate Reconciliation Action Plan (RAP)

During FY24, E&P was proud to announce the launch of our inaugural Innovate RAP. Our commitment to supporting the self-determination of First Nations peoples and communities echoes our longstanding purpose – to empower our clients to prosper.

Our RAP features artworks by Josie Rose, a talented Gumbaynggirr artist from Coffs Harbour. The artwork, titled 'Waagay', meaning fire in Gumbaynggirr language, hang proudly in the reception of our Melbourne office, depicting the nuance, diversity and strength of First Nations communities and cultures.

Since 2006, RAPs have enabled organisations to strategically advance reconciliation. While we join over 2,700 organisations who have formalised commitments through a RAP, E&P is particularly proud to be one of only 40 private 'Financial and Insurance' companies (as at date of RAP publication) with an Innovate RAP or higher.

Through our RAP, we have established a framework that not only guides our investment services and internal operations but also enhances our ability to collaborate with external stakeholders. Our commitment to community engagement is reflected in our priority initiatives, where we focus on building capacity and creating opportunities for First Nations peoples across various sectors.

### Our RAP Pillars



#### Investments

How we allocate investment and financial capital to support First Nations Peoples.



#### Industry & Community

How we collaborate with industry and community to progress best practices and capacity building.



#### Internal Operations & Culture

How we promote ongoing cultural learning and actions within our network.



E&P FINANCIAL GROUP

# Innovate Reconciliation Action Plan

July 2024 – July 2026

EANDP.COM.AU

# 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 that oversees our sustainable investment and ESG capability.

## Investment Opportunities

Evans and Partners clients have access to a growing range of multi-asset class sustainable investment solutions. Our professionally curated Sustainable Product List covers fixed income, equities, real assets and alternatives, with over 30 unique investment options available via platform and direct.

To date, our clients have committed over \$280 million to sustainable investment opportunities, with a diverse range of environmental and social focus areas supported in FY24. This included social and affordable housing, environmental conservation assets, green and social bonds and other areas of need.

## Enhancing Sustainable Investment Choice

During FY24, we launched a Sustainable Core Multi-Asset solution for our clients. Model portfolio solutions can offer an efficient and affordable alternative to creating bespoke portfolios. This aims to address some of the barriers to clients such as next-gen wealth holders and smaller NFP's in accessing sustainable investment solutions.

### Core Sustainable Multi-Asset Charter

- 

**Responsible Ownership**  
We expect fund managers to integrate ESG data in investment processes.
- 

**Avoid Harmful Activities**  
We aim to avoid investments that have a adverse impact on people and planet.
- 

**Benefiting People and Planet**  
We allocate a portion of funds to investments that support the Sustainable Development Goals.

## Case Study: Osmosis Resource Efficient Core Equity Strategy (Ex-Fossil Fuels)

During FY24, we added the Osmosis Resource Efficient Core Equity Strategy (Ex-Fossil Fuels) to our Sustainable Product List – overseen by our internal Sustainable Investment team, the Product Review Group and independently chaired Investment Committee.

The fund targets resource efficiency in listed companies (Carbon emitted, Waste generated, and Water consumed) relative to value creation. This approach favours companies that are transitioning to a greener economy and have lower environmental and resource footprints.

With low historic benchmark tracking error and volatility, we believe such examples can play an important role in improved stability for sustainable investment portfolios. This can be a challenge for clients that are conscious of fiduciary or other financial parameters.

## Sustainable Investment Funds Under Advice (FUA)

	For the period ended		
	FY22	FY23	FY24
E&P Wealth FUA in sustainable product suite (total \$m)	133.6	217.5	281.5
% full-service clients invested across sustainable product suite <sup>1</sup>	N/A	18.0%	18.6%

<sup>1</sup> Invested in one or more products

### Facilitating Direct Investments via E&P Capital

As a market leader in originating and executing capital markets transactions, our corporate advisory team supported over \$140m in capital raisings for impactful organisations to enable expansion of their core products and services. In FY24 this included:

#### FUTURE GROUP

##### \$15 Million Private Capital Raise

Future Group is an Australian financial services business that offers superannuation services, focusing on zero fossil fuel investment.



##### \$25 Million Private Capital Raise

4DMedical develops non-invasive, quantitative imaging and analysis of lung function, to enable early disease detection.



##### \$21 Million Shortfall Placement

PYC discovers and develops RNA therapies to change the lives of patients with rare genetic diseases.



##### \$70 Million Institutional Placement

Botanix Pharmaceuticals address the growing demand for innovative solutions for common, yet overlooked, skin diseases and infections.

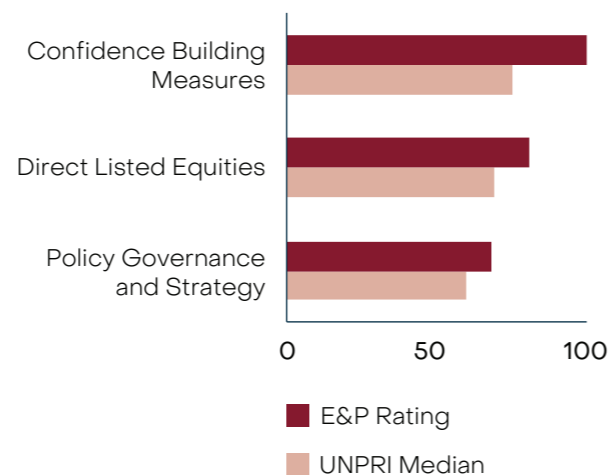
### ESG Integration in Investment Management

During the FY24 period, modifications to the ESG policy and processes for several funds were released to align to best practice.

For Claremont Global, ESG-related Investment exclusions were expanded and clarified to meet Responsible Investment Association of Australia (RIAA) guidance. Further, enhancements were made to our reporting, transparency and disclosures. For example, a full register of proxy voting history (expanded from previous summaries) was made available for all internally managed equities strategies – in line with industry best practice.

#### UNPRI Reporting

During FY24, E&P received results from our initial reporting submission to the UN Principles of Responsible Investment (UNPRI). Pleasingly, results for our Core Funds exceeded industry medians.



### Industry Engagement

Our team and advisers attended numerous industry events over FY24 to both share our expertise, and ensure we stay across industry best practice. Broader participation included the Impact Investment Summit and attendance at global climate conference – COP28. Our team also remains active members of committees including RIAA Working Groups, the Australian Sustainable Finance Institute (ASFI), NEXUS Australia and Philanthropy Australia.

#### Responsible Investment Association of Australia (RIAA) Conference 2024

RIAA champions responsible investing and a sustainable financial system in Australian and Aotearoa New Zealand. We contributed expertise on First Nations investment markets to conference plenary.

#### United Nations Permanent Forum on Indigenous Issues (UNPFII)

We contributed to the UNPFII annual Expert Group Meeting in Boulder, Colorado, focusing on “Indigenous people in a greening economy.”

#### Inside Network ESG Retreat

We sat on the advisory committee and shared practical portfolio construction considerations and frameworks for sustainable investors, hosted at the picturesque Spring Bay Mill in Tasmania.

#### BNP Paribas Sustainable Futures Summit

We shared our experiences and outlook relating to biodiversity and natural capital within investment markets.

### Financial Standard (“FS”) Sustainability ESG Power50

We were proud to announce that our Director of ESG & Sustainable Investment, William Hart, was recognised by Financial Standard as one of the 50 corporate ESG leaders in Australia.



# Climate Change and Resource Management

We regard climate change and resource management issues as essential to our stakeholders and long-term business success.

This includes how we manage climate related risk in our investments and reduce the environmental impact of our operational activities

## Climate Governance and Strategy

Climate change risk is captured under E&P's enterprise Key Risk Register and associated management programs. Risk mitigation measures, targets and progress on strategic opportunities are included within quarterly ESG Board reporting and Audit and Risk Committee reporting.

As climate change represents a group-wide business risk, the CEO retains operational responsibility, alongside E&P's specialist ESG and Sustainable Investment Team. In FY24, we focused on enhancing our climate strategy across multiple areas.

- We acknowledge the rapid development of climate-related regulatory requirements. We have stayed abreast of proposed legislative changes, and are ensuring our framework is compatible with future climate accounting standards.
- We acknowledge climate change presents both physical and transition risks that may impact our business operations or services. We have introduced E&P Funds portfolio monitoring across 'carbon risk' metrics to understand company value at risk from decarbonisation trends.
- We acknowledge our unique role in the transition to a green economy, supporting our clients. Over multiple years, we have developed a holistic sustainable investment program to facilitate a range of decarbonisation investment options, and expanded direct client reporting to include carbon performance measures.

## Operational Decarbonisation

We are proud to have achieved carbon neutrality for our Scope 1&2 emissions for the entire FY24 period, using market-based carbon accounting methodology.

### Purchased Renewable Energy

All E&P offices procure renewable energy (Greenpower or LGCs) via our utility providers or office tenancy landlords that oversee embedded network procurement. All renewable energy arrangements were in place for the full FY24 period.

### Energy Efficiency

E&P achieved improvements in energy efficiency during FY24, reducing our electricity consumption on both an absolute and intensity basis. We expect further improvements in FY25, following the consolidation of our Melbourne offices in late FY24.

### Scope 3 Emissions Mapping

We recognise our responsibility to manage our upstream and downstream emissions footprint. We have mapped our indirect exposures (Scope 3) across our supply chains, to inform future measurement, monitoring and regulatory compliance.

## Operational Emissions and Energy Usage<sup>1</sup>

	For the period ended		
	FY22	FY23	FY24
<b>Location-based Method<sup>2</sup></b>			
Scope 1+2 GHG emissions (tCO <sub>2</sub> -e)	404.4	332.6	290.9
<b>Market-based Method<sup>3,4,5,6</sup></b>			
Scope 1+2 GHG emissions (tCO <sub>2</sub> -e)	381.4	157.8	-2.9
Scope 1+2 GHG emissions intensity (tCO <sub>2</sub> -e/\$m revenue)	1.9	0.8	-0.2
Scope 1+2 GHG emissions intensity (tCO <sub>2</sub> -e/FTE)	0.9	0.4	-0.0
Energy consumption [total] (MWh)	527.6	464.9	403.1
Energy consumption [renewable sources] (MWh)	78.8	261.0	405.4
Energy consumption [renewable sources] (%)	14.9%	56.3%	100.6%

- 1 <2% of emissions estimated due to data constraints
- 2 Location-based carbon accounting method applied, using emissions factors from the Australian Greenhouse Accounts and EPA
- 3 FY23 figures updated to reflect improved data completeness and current updated emissions coefficients
- 4 Market-based carbon accounting method applied. Legislated RPP referenced from the Australian Clean Energy Regulator, as at time of publishing (18.48% in FY24, 18.9% in FY23 and 18.64% in FY22 for Australian offices)
- 5 Calculations include various offices that source GreenPower via utility provider (82%) and landlord group-buyer (100%) arrangements
- 6 International office footprint excludes Hong Kong (due to materiality and operational control) and New Jersey from Jan 1 2023 (due to ongoing management arrangements)

## Scope 3 Emissions Stream

Emissions Stream	Materiality	Data Progress
Base building energy	Medium	Process Established
Staff flights	Medium	Process Established
Funds financed emissions (direct)	Medium	Process Established
Client financed emissions (indirect)	Low	Process Established
Waste	Low	Process Mapped
General supply chain	Low	Estimate Required
Work from home consumption	Low	Estimate Required

## Investment Portfolios

We track and monitor the carbon intensity, and carbon risk 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.

### Carbon performance metrics for Claremont Global Fund

	For the period ended		
	FY22	FY23	FY24
<b>Carbon Intensity</b>			
tCO <sub>2</sub> -e/\$m sales <sup>1</sup>	13.4	15.4	11.4
Benchmark <sup>2</sup>	166.3	134.4	142.5
vs benchmark (MSCI AC World)	-92%	-89	-90%
<b>Carbon Risk</b>			
Sustainalytics Carbon Risk Rating <sup>1</sup>	N/A	N/A	8.4
Benchmark <sup>2</sup>	N/A	N/A	18.5
vs benchmark (MSCI AC World)	-	-	-71%

<sup>1</sup> Source: Morningstar Sustainalytics, E&P <sup>2</sup> MSCI ACWI Ex Australia Index

### Carbon Intensity

Carbon intensity is a measure of the amount of carbon dioxide equivalent (tCO<sub>2</sub>-e) emissions produced per US million dollar of sales. A low portfolio carbon intensity reflects fewer carbon emissions per unit of financial output.

### Carbon Risk

Carbon risk is a measure of portfolio exposure to companies with material unmanaged risks related to both the physical risks of climate change and the global transition to a lowcarbon economy.

## Sustainable Office Design

We are proud of our offices' strong sustainability credentials, which enhance our energy and resource efficiency.

In FY24, we consolidated our Melbourne office into a single location and completed a large-scale fit-out. Throughout this process, we focused on minimising our environmental footprint and implementing social procurement principles wherever possible.

### Social Procurement

**24%** of new furniture was procured through Supply Nation certified Indigenous businesses.

### Sustainable Materials

**90%** of demolished site waste was recovered for recycling.

**386** pieces of existing furniture were re-used, equal to 59% of all furniture installed.

**58%** of flooring installed is Carbon Neutral, offsetting a total of 23,114 kg/CO<sub>2</sub>e.

**48%** of feature wall finishes are manufactured from 100% recyclable material.

“  
We are committed to the continual development of our sustainability strategy and look forward to keeping you updated in future.

David Evans – Non-Executive Chairman