



ESG

## THE WAY WE WORK POLICY

### Document Details

Document Owner:	Company Secretary
Author:	Plenary Funds Management Pty Ltd
Approved by:	Board of Directors
Any questions about this document:	Sofie Remmery (PFM Compliance Manager) <a href="mailto:sofie.remmery@plenary.com">sofie.remmery@plenary.com</a>
Document master located:	PFM Corporate SharePoint

### Version Control

Version	Date	Notes
1.0	18 October 2022	Approved

### Issue details

Version	1.0
Status	Approved
Date	18 October 2022

# TABLE OF CONTENTS

1.	Introduction	1
1.1	Purpose	2
1.2	Application of this Policy	2
1.3	Objectives	2
1.4	Definitions	3
2.	ESG Framework	5
2.1	ESG Framework	5
3.	Our Values	7
4.	Our expectations	9
5.	Growing Together	10
6.	Working with Others	13
7.	Caring for the Environment	15





# INTRODUCTION



# 1. Introduction

---

## 1.1 Purpose

This policy sets out the arrangements Plenary Funds Management Pty Ltd (“**PFM**”) has implemented for environmental, social and governance (“**ESG**”) considerations as part of its core business operations.

As a boutique infrastructure fund manager investing in social infrastructure assets, ESG goals are at the core of our purpose. We believe that investing sustainably leads to better risk adjusted returns and we see ESG as a value-driver which improves the resilience and sustainability of our investments.

This policy should be read in conjunction with the following related policies and guidelines:

- ESG Responsible Investment Policy and related guidelines;
- ESG Stewardship Policy and related guidelines;
- ESG Objectives and Commitments guideline;
- ESG Roles and Responsibilities guideline; and
- PFM Code of Conduct.

## 1.2 Application of this Policy

This policy applies to all PFM employees.

## 1.3 Objectives

Through the implementation of this policy, PFM will outline our aspirations and expectations for the way we operate and interact with each other, investors, business partners, the community and the environment.

## 1.4 Definitions

Term	Definition
<b>Board</b>	means the Board of Directors of PFM
<b>Client</b>	Current and former clients of products and services provided, manufactured, or sold by PFM including but not limited to: <ul style="list-style-type: none"><li>• Members</li><li>• Unitholders</li><li>• Investors</li></ul>
<b>ESG</b>	means Environmental, Social and Governance
<b>PFM Funds</b>	means the Public Sustainable Infrastructure Fund and any other Funds where PFM is the appointed investment manager
<b>IC</b>	means PFM's Investment Committee
<b>PFM</b>	means Plenary Funds Management Pty Ltd
<b>SMA</b>	means Separately Managed Account
<b>PSIF</b>	Public Sustainable Infrastructure Fund



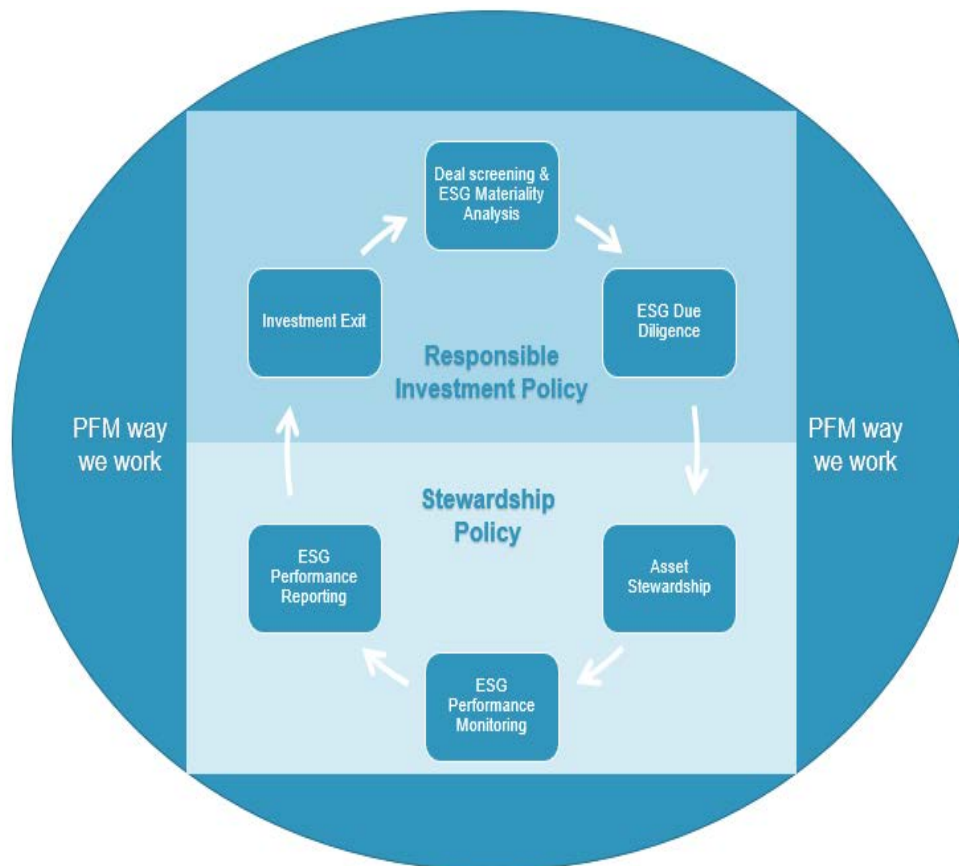
# ESG FRAMEWORK





## 2. ESG Framework

---



### 2.1 ESG Framework

The ESG Framework sets out PFM's ESG priorities and explains how they will be embedded within the organisation; from the way we operate as a business right through to our investment decisions and the ongoing management of the assets we are invested in.

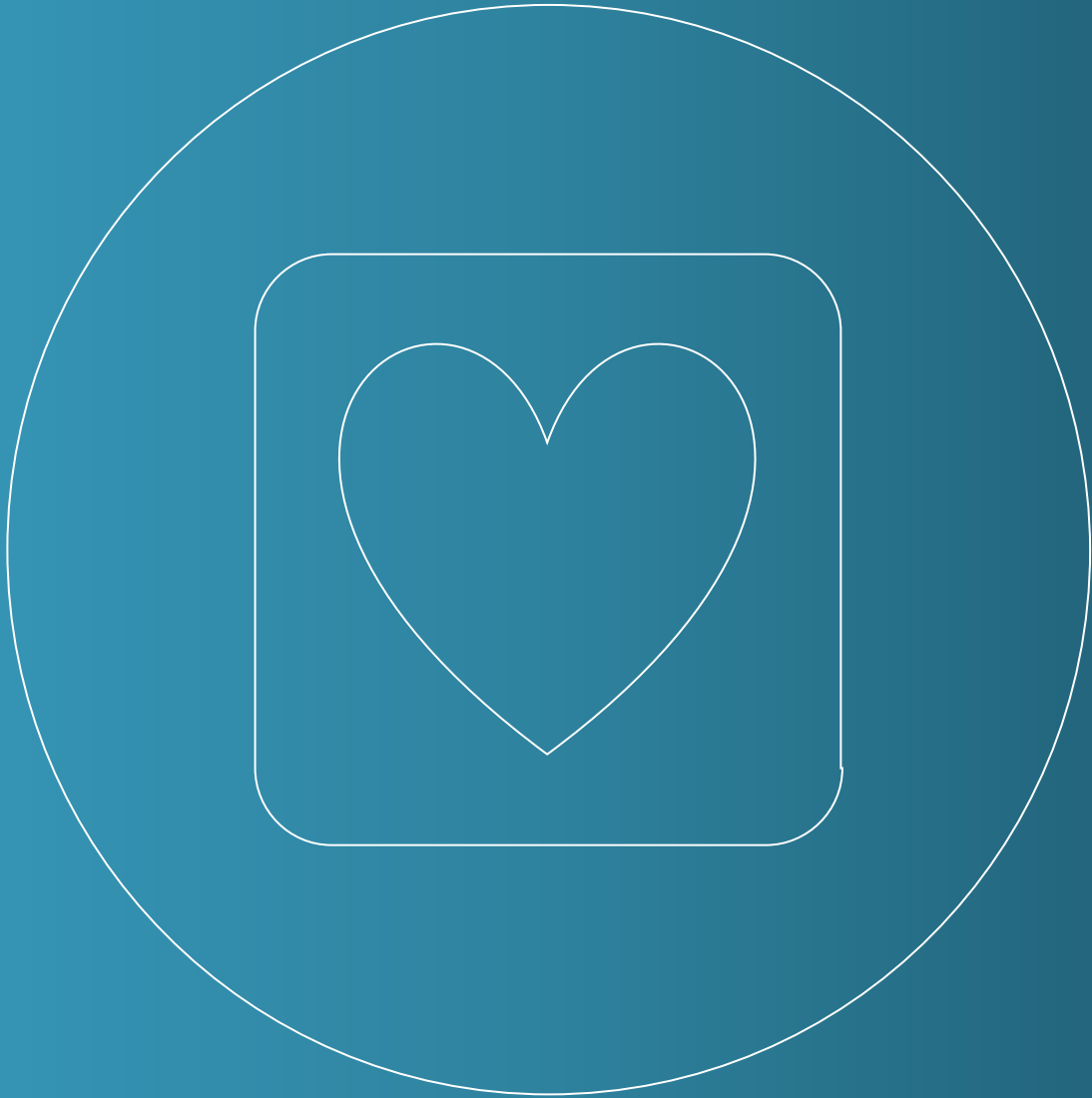
The three main policies:

- ESG Responsible Investment Policy;
- ESG Stewardship Policy; and
- ESG The Way We Work,

along with the supporting guideline documents form PFM's ESG Framework.

The ESG Investment Integration Overview is a helpful reference document which outlines the key roles, responsibilities and outcomes from the identification of an opportunity through to asset ownership. It summarises the ESG Responsible Investment Policy and ESG Stewardship Policy into an easy-to-follow flow diagram.

# OUR VALUES



### 3. Our Values

---

Our values define us and our culture and our people are at its core. At PFM we believe our people are the heartbeat of our company and we want to look after them like they are our family.

Our values are simple but powerful.



#### Radical transparency

Relationships and trust are vital to our long-term success. We are open, honest and genuine in all our communications, both internally and externally.



#### Equity and fairness

We are equitable, embedding fairness in all our decisions. We want to be successful, but not at any cost. We will always act with integrity.



#### Purpose and meaning

Our investments are made with purpose and meaning, with the aim of delivering great outcomes for the benefit of investors and society. We will make decisions based on a long-term view with the best interests of our investors and partners in mind – never for a short-term gain.

# OUR EXPECTATIONS



## 4. Our expectations

---

We expect our people to live our values every day.

### Radical Transparency

Compliance with laws and regulations are paramount. Things will go wrong and when they do, speak up. Do not be afraid to admit a mistake, be honest and open with clients, colleagues and partners. We do not have a blame culture. We know that transparency creates trust.

We will constantly challenge 'industry norms' and strive to be a market leader in transparency (e.g. we will make our policies publicly available).



### Equity and Fairness

We don't have a transactional win-lose approach to the way we run our business or our relationships. We know that equitable outcomes engenders repeat business.

We will reward based on how you achieved it not just on what you achieved.

We disclose our margin to investors so they know they are getting value for money and we are being fairly compensated for the services we provide. We want to generate a just profit proportionate to the value we provide.

We don't believe transactions should be a zero sum game and we endeavour to put forward a fair price that delivers value to both parties. Our honest approach and ability to expediently and effectively close transactions generates repeat business, long term partnerships and ultimately benefits our investors.

### Purpose and Meaning

We want everyone at PFM to be proud of the company they work for and we foster that by being the "bigger person" and always acting with integrity.

We recognise that our assets interact with society and we look for ways to improve their benefit to the communities in which they exist.

We live our values in whatever we do.

We don't skirt close to the line, if something feels off, we won't do it.





# GROWING TOGETHER



## 5. Growing Together

---

We spend a lot of time at work, so we want it to be a fun and enjoyable place to be as well.

---

### Keeping you engaged

We want highly engaged, high performing employees.

We recognise work can be demanding of people's time and energy and there are things outside of work that are important too.

We do this through encouraging a healthy work/life balance, undertaking check ins through engagement surveys and asking people to speak out when things are tough.

We are interested in you as a person, not as a resource and we respect you for bringing your authentic self to work.

---

### Expanding your knowledge

Our training and development programs are designed around helping you grow professionally and personally.

We know that the best training is 'on the tools'. We will be equitable in providing learning and growth opportunities.

Sometimes we will throw you in the 'deep end' but we provide you with encouragement and support and 'floaties' when you need them.

We recognise one size doesn't fit all and we have a range of approaches that can be tailored to specific needs.

---

### How we provide feedback

We have semi-annual performance reviews, which focus not only on what was achieved, but how it was achieved.

We also believe feedback isn't just for formal processes, we encourage a culture of continuous constructive feedback at all levels, upwards and downwards at anytime.

---

### How we reward you

Recognition and rewards are based on your contribution and collaboration in the team's overall success.

The performance reward pool will be 30% of profit before tax and will be subject to a deferral mechanism (over three years).

Deferral payments will be invested in PSIF which enhances our alignment with our investors.

Founding PFM employees are equity partners in the PFM business, creating the strongest form of long-term alignment with our investors.

---

### How we grow together

We are clear, not only on what is required of our people in their current roles but also on what skills and experience needs developing to explore promotional opportunities within the organisation.

We work in a trustful and collaborative way with others and treat them fairly and with respect and care.

We value individual differences within the team and seek out views which are contrary to our own.

We support colleagues who speak up in an appropriate manner and will not disrespect them for doing so.

We will make each other accountable and always strive for excellence in all that we do.

We will have fun doing it!

# WORKING WITH OTHERS



## 6. Working with Others

---

We don't exist without the support of our investors, partners and the communities in which we invest. Earning and maintaining trust with these groups is fundamental to our purpose.

---

### Working with Investors

Everything we do will have the mantra of being in the best interests of our investors. We will put ourselves in their shoes when making decisions.

No matter how big or small your investment is, we will treat you with respect and honesty.

Transparency is important to us, we will make ourselves available to investors as often as they need and we will provide regular reporting on our performance.

We want our investors engaged in our investments through the Investment Advisory Group and the implementation of the ESG linked incentive scheme (in the case of our flagship fund, PSIF).

---

### Working with the Investment Industry

We want to be known as setting the standard for a responsible infrastructure investment manager.

We are members of industry associations (e.g. PRI through Plenary Group) and contribute to the development of the industry through the Women in Infrastructure (Australia) Group and Infrastructure Partnerships Australia board membership.

We give up our time to support the next generation of infrastructure professionals through formal and informal mentoring and being guest lecturers at universities and training courses.

We contribute to relevant issues through panel participation and industry and government submissions.

---

### Working with Partners (e.g. Government)

Fostering an open, transparent and honest relationship with our partners is key to our long-term success.

We will be transparent where we have engaged directly or indirectly with government on policy related to infrastructure.

We will make our policy positions available to the public.

---

### Working with the Community

Making a positive contribution to meeting the needs of the community is core to what we do.

We will engage regularly with the users of the infrastructure assets we manage to better inform our ESG Action Plans.

We support the Reconciliation Action Plans established by Plenary Group and the initiatives that embody those plans.

PFM has made the 1% Pledge and will dedicate 1% of profit, time and product to charitable activities.



# CARING FOR OUR ENVIRONMENT





## 7. Caring for the Environment

---

We recognise we all have a responsibility to care for the environment.

### **In our offices**

We are committed to meaningful programs to reduce waste, paper and energy.

Wherever possible, we source products locally including from businesses supporting people from disadvantaged backgrounds (e.g. the AMOK sisters and refugees).

Our corporate offices achieved Net Zero carbon emissions at a corporate level and are certified against the Climate Active Carbon Neutral Standard.

All paper orders are 100% recycled paper, default print settings are black and white, double sided.

Organic waste bins are available in order to reduce landfill waste and separate recycling for approved disposable coffee cups is provided.

### **Through our investments**

We are committed to improving the environmental performance of our assets.

We will develop ESG Action Plans for all our assets and report on our progress against these plans.

PSIF will actively seek out opportunities to improve sustainability during the life of its assets, including assessing the potential for the introduction of sustainable debt at the next refinancing event.

We are implementing an ESG linked incentive scheme in our flagship fund (PSIF) to allow PFM to take an active role in driving change in our assets.

