

Pendal Group Human Rights Statement

Scope

This Statement applies across Pendal Group (**Group**). The Group consists of Pendal Group Limited (including its Australian subsidiaries), J O Hambro Capital Management Limited (including its subsidiaries) and Regnan our specialist ESG business unit. The document applies across the Group's investment management businesses providing guidance to our investment teams as well as to our corporate activities more broadly.

This Statement is reviewed at least annually.

Introduction

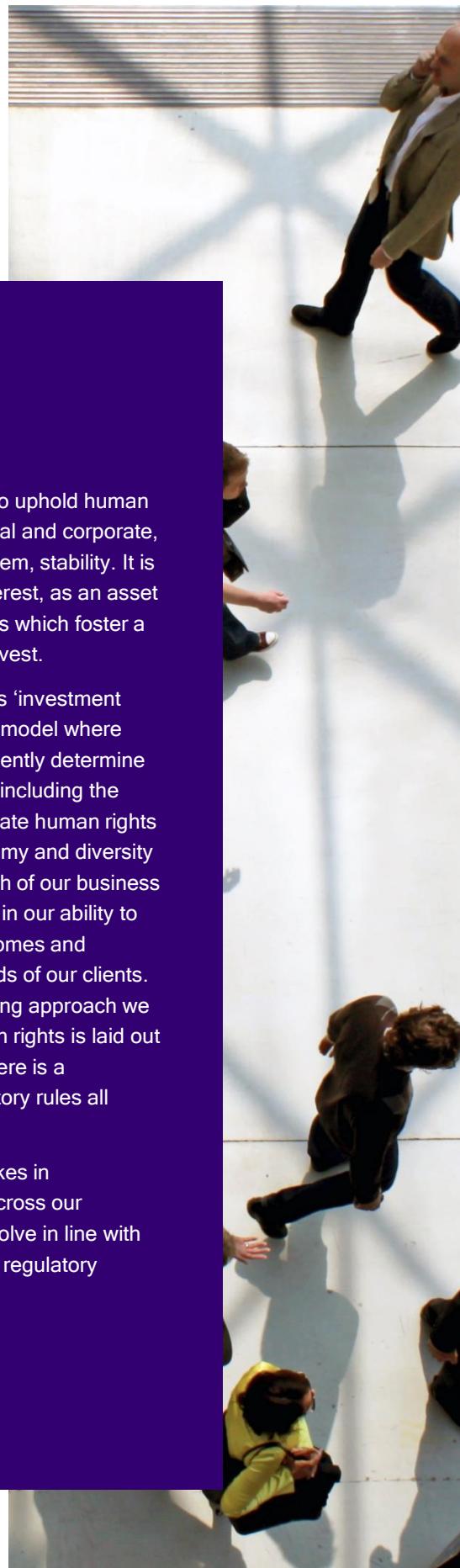
We accept the common standards for human rights established by the international community, through legal conventions and declarations, and affirm that all individuals or groups are equally entitled to human rights and fundamental freedoms, without discrimination. To play our role in upholding human rights, following principles of equality, freedom, dignity and respect, we look to internationally agreed frameworks. Two of the most prominent are the Universal Declaration of Human Rights, and the Guiding Principles on Business and Human Rights, both adopted by the United Nations (UN).

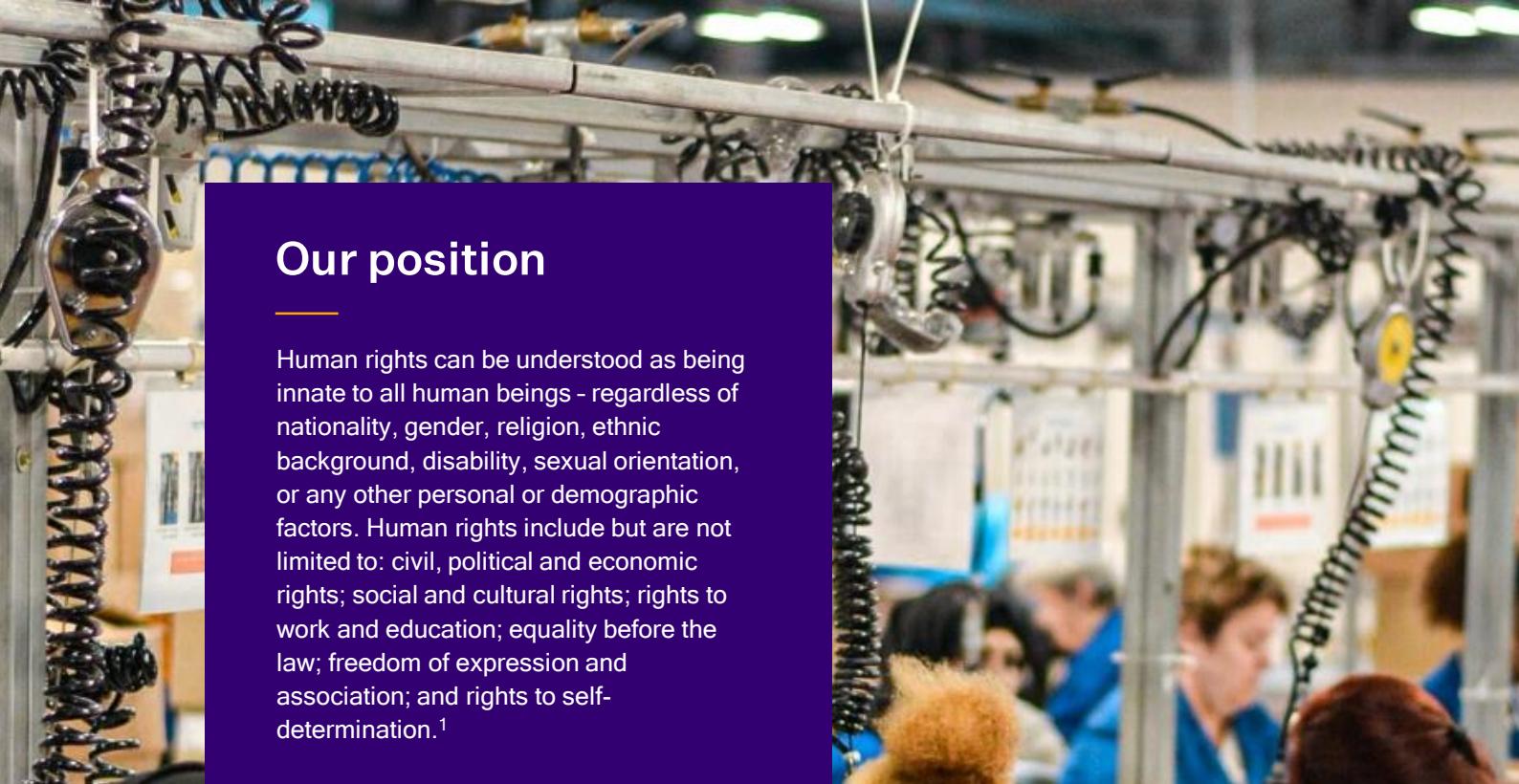
While it is governments which have a duty to protect human rights, companies have a responsibility to respect global norms and standards on human rights in line with the UN Guiding Principles on Business and Human Rights. As a participant in the global community, the Group believes it is important to uphold this responsibility in our operations, as well as through our supply chain, investments and other areas of influence. Adhering to human rights norms is more than just a regulatory requirement; we believe we have a fundamental duty to continue evolving our practices to help address these types of harmful practices.

We believe that the failure to uphold human rights poses a threat to social and corporate, and ultimately financial system, stability. It is therefore in the Group's interest, as an asset manager, to support settings which foster a stable system in which to invest.

As an active manager that is 'investment led', we operate a boutique model where investment teams independently determine their investment strategies, including the manner in which they integrate human rights considerations. This autonomy and diversity in approach is a key strength of our business and plays an important role in our ability to deliver the investment outcomes and solutions that meet the needs of our clients. Nevertheless, the overarching approach we take in responding to human rights is laid out in this Statement. Where there is a requirement to meet regulatory rules all managers must comply.

The approach the Group takes in considering human rights across our business will continue to evolve in line with emerging global norms and regulatory frameworks.





Our position

Human rights can be understood as being innate to all human beings - regardless of nationality, gender, religion, ethnic background, disability, sexual orientation, or any other personal or demographic factors. Human rights include but are not limited to: civil, political and economic rights; social and cultural rights; rights to work and education; equality before the law; freedom of expression and association; and rights to self-determination.¹

This statement sets out the Group's position on human rights and provides internal guidance to our businesses to support decision making.

Specifically:

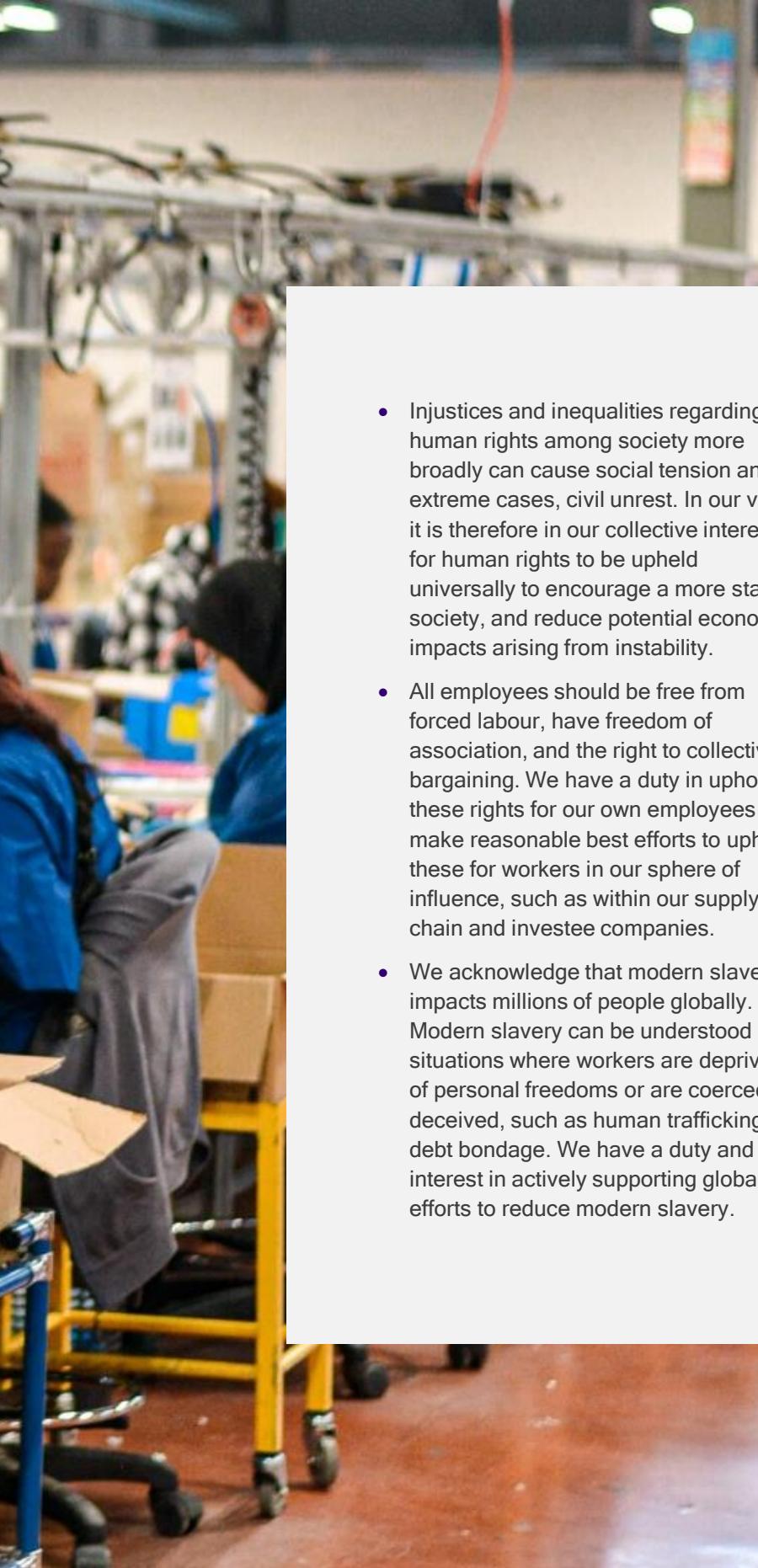
- We believe in respecting and upholding all human rights unconditionally for all individuals and groups of people. We recognise some individuals and groups are more vulnerable, requiring greater consideration.²
- We look to internationally recognised frameworks, governing bodies and initiatives to guide our understanding of human rights, how they are impacted, and how businesses can respond. Specifically, we understand human rights to be what is defined in the UN Universal Declaration of Human Rights and the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work. The UN Guiding Principles on Business and Human Rights (UNGPs) and relevant human rights references in

the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises inform our understanding of how businesses can respond.

- We acknowledge that our activities as a business impact people. Our own operations can directly impact our employees, suppliers and clients. However, we also impact people indirectly through our investments and supply chain. We have a responsibility to minimise any potential negative impacts these activities may have on human rights and to safeguard against any complicity in human rights abuses.

¹ The Office of the High Commissioner for Human Rights (UN Human Rights).

² These include, but are not limited to: women; national or ethnic groups; religious groups; linguistic minorities; LGBT+ people; individuals with disabilities; refugees; and migrant workers.



- Injustices and inequalities regarding human rights among society more broadly can cause social tension and, in extreme cases, civil unrest. In our view, it is therefore in our collective interests for human rights to be upheld universally to encourage a more stable society, and reduce potential economic impacts arising from instability.
- All employees should be free from forced labour, have freedom of association, and the right to collective bargaining. We have a duty in upholding these rights for our own employees and make reasonable best efforts to uphold these for workers in our sphere of influence, such as within our supply chain and investee companies.
- We acknowledge that modern slavery impacts millions of people globally. Modern slavery can be understood as situations where workers are deprived of personal freedoms or are coerced or deceived, such as human trafficking and debt bondage. We have a duty and an interest in actively supporting global efforts to reduce modern slavery.
- Our aim is to help minimise the human rights risks faced by rights holders, because it is the right thing to do, and to ensure compliance with the law, avoid reputational damage to our own business and mitigate investment risks. We have a duty in doing so on behalf of our employees, clients and shareholders.
- There are instances where collaborative and multi-stakeholder approaches can more effectively support human rights. We actively participate in relevant initiatives to promote better human rights practices in the finance sector and business more broadly.

These positions stated above inform how we manage human rights risks: risks to people, to our business and within our investments.

Our actions

Our actions cover a number of areas, as outlined below.

Setting clear policy foundations

The Group sets behavioural expectations for employees across our businesses through formal policies which must be complied with as a condition of employment. Variously, these policies embed principles around respect, equality and dignity, ultimately establishing expectations for our employees to respect human rights - both internally and externally. In addition to this Human Rights Statement, relevant policies and guiding documents across the Group include Codes of Conduct, and policies which cover discrimination and harassment, equal opportunities at work, diversity and inclusion, technology usage, anti-money laundering & counter terrorism financing, and recruitment & selection.

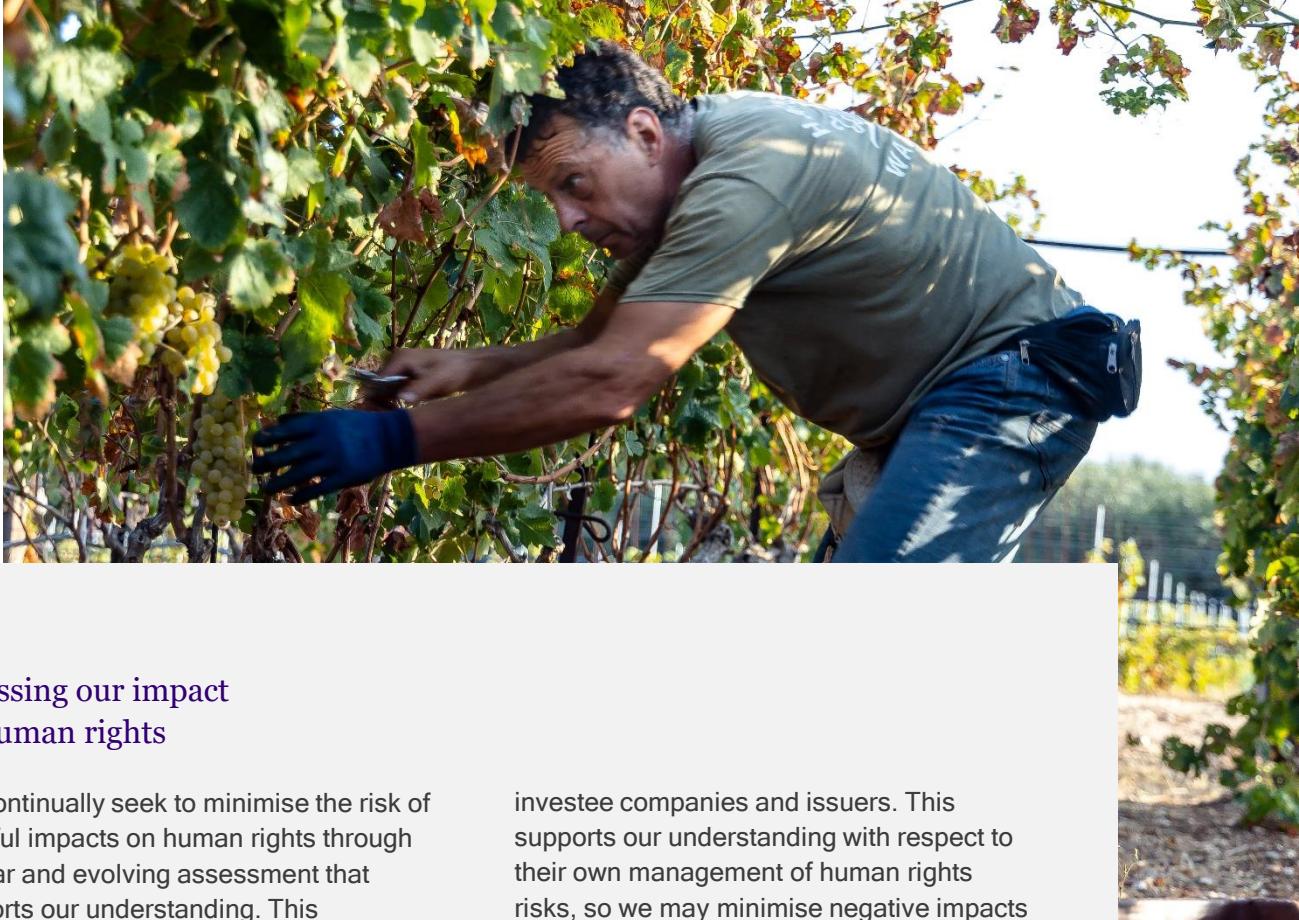
Expectations of our employees are actively communicated through internal forums, including induction, regular employee emails, our intranet, educational sessions and, importantly, through mandatory training.

We also expect our suppliers to respect and uphold human and labour rights in their operations. We aim to do business with reputable suppliers with a focus on building long term strategic partnerships. We encourage and influence our providers as part of our due diligence and oversight processes and, via a risk-based approach, monitor these providers to understand their business operations and risks.

Rights of our employees

The Group actively seeks to create a fair, safe, diverse and inclusive workplace for our employees that is free from bullying, harassment and discrimination. We also respect our employees' freedom of association and their right to establish or join trade unions or other associations, and their right to collective bargaining.

Further, we remunerate our employees fairly, commensurate with the skills, knowledge and experience that they bring to the Group and benchmark against similar organisations in the market to ensure that we are paying competitively in the market. Additionally, each year as part of the Annual Remuneration Review, businesses across the Group undertake pay gap analysis, comparing pay levels for comparable roles as well as against the market. This is a standard salary review and benchmarking process that occurs annually. Pay equity is monitored on an ongoing basis when hiring new and promoting existing employees. While no diversity-related pay equity issues have been identified, it remains an area we continue to monitor proactively.



Assessing our impact on human rights

We continually seek to minimise the risk of harmful impacts on human rights through regular and evolving assessment that supports our understanding. This assessment, and the enhancements we make, focus on how our operations, our supply chain, as well as our investments may adversely affect people. Further, strong governance, people related policies and the Risk & Compliance functions support us to respect and uphold human rights within our direct operations and, importantly, to identify areas for improvement.

To assess our supply chain we request information from our suppliers to consider and, where appropriate, influence potential corrective action. Information on our supply chain operations is gathered at the outset of the relationship and monitored and reviewed on a risk-based approach. Suppliers are expected, and most commonly contractually obliged, to notify us of breaches of laws and regulations which may impact our services.

Our investment teams independently determine their investment strategies. Where relevant, to understand and formally assess our impact from activities undertaken as part of our investments, we request information and action from

investee companies and issuers. This supports our understanding with respect to their own management of human rights risks, so we may minimise negative impacts on people. We focus additional efforts on sectors identified as higher-risk to ensure greater due diligence around these companies and issuers. We are enhancing education and training on human rights to support investment teams in undertaking such assessments.

Where we believe companies or issuers could be better managing, or face elevated, human rights risks, we encourage them to address performance gaps via our corporate engagement and proxy voting activities. We will escalate any evidence of a breach of human rights directly with the company or issuer to the best of our ability, seeking information on the planned response and remediation of victims as relevant.

Should we believe human rights are systematically abused by an investee company or business supplier, and there is no chance of successful engagement, as a last resort, we may exclude from investing in, or working with, the company.

Managing risks to our business and investments

Human rights is an issue with the potential to impact our business and investments made on behalf of clients. For our business, failure to adequately manage human rights risks to people is likely to result in reputational damage as both stakeholder and regulatory scrutiny is increasing. Investee companies and issuers face these same risks, becoming a potential investment risk which we need to manage.

We manage the risks to our business and investments as part of our duty to our employees, shareholders and clients. Our processes continue to evolve and by assessing our impact on human rights, through our operations and our investments, we can better understand Pendal's exposure to reputational and regulatory risks, and how to mitigate them.

Additionally, by assessing our investee companies and issuers' management of their impact on human rights, we can better understand exposure to risks within our investments. Where these risks have the potential to be financially material, we factor them into our investment decision making, including through engagement and voting activity.





Grievance mechanisms and remediation

We provide our employees and stakeholders with channels to raise grievances related to any illegal or unethical behaviour, including in relation to human rights, via a whistleblowing framework (a copy of the Whistleblowing Policy is available on our website). We strive to foster a culture in which individuals speak up so any risk, including risks to people can be addressed.

Should we identify our direct involvement or contribution to a human rights abuse against an individual or group, we will provide, or work collaboratively to ensure, remediation of the persons affected. We will participate in remediation processes in good faith and with the intention of offering effective and legitimate remedy.

We have also started to encourage our investee companies, where relevant, to implement appropriate grievance mechanisms so their workers and suppliers can raise issues, and support disclosure around these issues where possible. We encourage companies to supplement formal mechanisms with alternative sources of insights, such as participation in relevant industry groups to share best practice and information, and building relationships with relevant non-government organisations which work with vulnerable people.

Advocating for human rights

We actively promote greater understanding of human rights and collaboration to support their advancement - both internally and across our sphere of influence. Internally, we support human rights awareness through initiatives such as those run by our Diversity and Inclusion Committees and educational forums.

As an asset manager, we collaborate with other market participants where this can amplify our efforts, such as through relevant industry association membership and joint engagement initiatives on human rights.

We seek to raise awareness amongst clients and the investment community more broadly on the importance of considering human rights within their portfolios, both in terms of impacts to people and as an investment risk. We do so in the context of evolving global norms and local community expectations, with the aim of trying to achieve best practice when it comes to human rights.





Compliance with Modern Slavery legislation

The Group is required to report under Australia's Modern Slavery Act (Commonwealth, 2018). Further, Group subsidiary J O Hambro Capital Management Limited is required to report under the United Kingdom's Modern Slavery Act (2015). Both Acts seek to compel business to support efforts to eliminate modern slavery around the world.

The Australian Modern Slavery Act requires reporting entities to publish an annual Modern Slavery Statement. We are committed to disclosing this Modern Slavery Statement in a timely and comprehensive manner, making it publicly available on our website. Consistent with our broader approach to human rights, and in the spirit of supporting the elimination of modern slavery, our approach is to not only comply with regulatory requirements but to continually evolve our practices to help address modern slavery.





Our commitment

We recognise that the societal and regulatory expectations around human rights continue to evolve as our collective knowledge and understanding deepens. This requires the Group to be flexible and inquisitive and to understand how our business and investments may negatively impact people, and in turn be affected by human rights risks. This will necessitate analysis, training and focus.

We are committed to a comprehensive, transparent and progressive response to human rights, acknowledging that this is in the interests of our business, our stakeholders and the wider community.

This statement has been prepared by Pendal Group Limited ACN 126 385 822 and the information contained within is current as at 31 December 2020.

This statement has been issued in the United Kingdom by J O Hambro Capital Management Limited, authorised and regulated by the Financial Conduct Authority.

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