



PENGANA CAPITAL GROUP LIMITED

RESPONSIBLE INVESTMENT: VOTING, ENGAGEMENT, AND STEWARDSHIP POLICY

Purpose

Pengana Capital Group Limited (PCG or Pengana) is an ASX-listed investment management company, offering both in-house and externally managed investment products.

This policy governs stewardship activities - proxy voting, engagement, Environmental, Social and Governance (ESG) integration - across both categories, in alignment with Pengana's Responsible Investment commitments, the United Nations-supported Principles for Responsible Investment (UN PRI), and Responsible Investment Association Australasia (RIAA) certification.

Stewardship Philosophy

Pengana believes that companies with robust ESG practices generate stronger long-term returns and resilience.

Pengana's stewardship philosophy centres on active, ongoing engagement with investee companies, a strong focus on governance, and a flexible, team-specific approach to stewardship. The aim is to maximise investor value while integrating ESG considerations into all aspects of the investment process.

Through the application of negative screens, Pengana's ethically screened funds seek to avoid investing in businesses that are, in Pengana's opinion, currently involved in activities that are unnecessarily harmful to people, animals or the environment.

Principles

Pengana has been a member of the Responsible Investment Association Australasia (RIAA) since 2006. RIAA champions responsible investing and a sustainable financial system in Australia and New Zealand and is dedicated to ensuring capital is aligned with achieving a healthy society, environment and economy. Pengana offers a number of RIAA certified products.

Pengana has been a signatory to the UN PRI since 2010, committing to the following:

- to incorporate ESG issues into investment analysis and decision-making processes;
- to be an active owner and to incorporate ESG issues into our ownership policies and practices;
- to seek appropriate disclosure on ESG issues by the entities in which we invest;
- to promote acceptance and implementation of the Principles within the investment industry;
- to work with the PRI Secretariat and other signatories to enhance their effectiveness in implementing the Principles;
- to report on our activities and progress towards implementing the Principles.

Through its association with responsible investment organisations, Pengana is able to assess and continuously improve its responsible investment processes and capabilities.

ESG Integration & Ethical Screening

Each internal and external fund management team embeds ESG materiality into investment decisions, without a common scoring system as each team tailors integration to their strategy and client needs.

Pengana offers a broad range of investment solutions that allow investors to align their portfolios with their principles without compromising their investment returns.

Fund	Responsible Investment Approach	Investment Team
<i>Core Funds</i>		
Axiom International Funds	ESG Integration, Negative Screening	External
Harding Loevner International Fund	ESG Integration	External
Australian Equities Fund	ESG Integration	Internal
Pengana International Equities Limited (ASX: PIA)	ESG Integration, Negative Screening	External
<i>Small Cap Funds</i>		
Global Small Companies Fund	ESG Integration	External
Emerging Companies Fund	ESG Integration, Negative Screening	Internal
<i>Speciality Funds</i>		
WHEB Sustainable Impact Fund	Sustainable Impact	External
High Conviction Equities Fund	ESG Integration, Negative Screening	Internal
High Conviction Property Securities Fund	ESG Integration	Internal
Alpha Israel Fund	ESG Integration	External
<i>Private Assets</i>		
Pengana Global Private Credit Trust (ASX: PCX)	ESG Integration	Internal
Pengana Private Equity Trust (ASX: PE1)	ESG Integration	External
Pengana Diversified Private Credit Fund	ESG Integration	Internal
TermPlus	ESG Integration	Internal

Engagement Approach

Internally Managed Investment Products

In-house investment teams conduct direct engagement, with systematic tracking of progress and documented disclosure expectations. These teams do not outsource voting intentions and vote where meaningful to support stewardship objectives.

Externally Managed Investment Products

We rely on external investment teams to perform engagement and stewardship, guided by their published ESG and engagement policies.

Pengana oversees performance through:

- ESG stewardship assessments and compliance monitoring
- Regular dialogue with external teams
- Escalation or reallocation if stewardship falls short of expectations.

Proxy Voting

Voting Governance

Internally Managed Investment Products: Pengana directly exercises voting rights and votes at all eligible meetings unless legal constraints prevent participation.

Externally Managed Investment Products: Voting is delegated in accordance with each manager's in-house voting policy, in line with Pengana's stewardship principles.

Transparency & Escalation

Voting records and rationales are published quarterly or annually where applicable.

Priority votes (e.g. board independence, climate change governance, remuneration policies) may be escalated internally or coordinated across managers for a unified position.

Monitoring & Reporting

Pengana's Risk Team, including Pengana's Chief Investment Officer, provides oversight over each Investment Product's compliance with this policy and their respective ethical and ESG mandates.

The ESG Committee made up of senior executives, monitors portfolios for contraventions of applicable ethical screens, deviation from thematic mandates, major controversies, voting, ESG integration, risk and related issues, and external reporting.

Assessment of the responsible investment capabilities and training needs of our various internally managed investment teams is conducted on an ongoing, need-basis.

Where applicable, Investment Products publish: Annual Stewardship & Engagement Reports, summarising activity, engagement outcomes, policy adherence, and stewardship case studies. Disclosures align with UN PRI reporting and RIAA certified product standards where applicable.

8. Conflicts of Interest

Pengana and appointed managers maintain conflict of interest frameworks. Any potential conflict in voting/engagement must be disclosed; Pengana reserves the right to override decisions or reassign mandates if conflicts are not adequately managed.

9. Governance & Review

- Policy Owner: Chief Investment Officer or Head of ESG
- Governance Oversight: Board or Investment Committee
- Review Frequency: Annual, or triggered by material regulatory, operational, or strategic changes.

Last updated: December 2025