CDP Climate Change 2022 Submission – Perpetual Limited

C0 Introduction

(C0.1) Give a general description and introduction to your organization.

Perpetual Limited (ASX:PPT) is an ASX-listed, diversified financial services company that operates globally, providing asset management, financial advisory and trustee services.

Perpetual services its client base from offices in Australia as well as its international offices in the United States, United Kingdom, the Netherlands, Singapore and Hong Kong. Our clients includes institutions, not-for-profit organisations, small businesses, financial advisers, individuals and families.

Across our four operating segments – Perpetual Asset Management International (PAMI), Perpetual Asset Management Australia (PAMA), Perpetual Private (PP) and Perpetual Corporate Trust (PCT) – we protect and grow our clients' wealth, knowing that by doing so we can make a difference in their lives.

For more information on our business divisions see our Operating and Financial Review at www.perpetual.com.au/OFR.

Our vision: **To be the most trusted in financial services**.
Our purpose: **Enduring Prosperity**.

The services we provide:

Perpetual Asset Management International provides investment products and services to global retail and institutional clients, including a distribution presence in the United States, United Kingdom, the Netherlands and Hong Kong. Investment management firm, Barrow Hanley Global Investors (Barrow Hanley), and boutique ESG investment management firm, Trillium Asset Management (Trillium), form part of this operating segment to offer a breadth of high-quality global investment capabilities to our clients.

Perpetual Asset Management Australia provides investment products and services to Australian and New Zealand retail, corporate, superannuation and institutional clients, with investment capabilities spanning Australian equities, credit and fixed income, multi-asset and global equities.

Perpetual Private is an advisory services business focused on the comprehensive needs of families, businesses and communities. Support for clients spreads across financial advice, risk, estate administration, trustee services and tax and accounting as well as portfolio management. The business is focused on client service excellence and attracting and retaining exceptional talent to meet those standards in our chosen segments.

Perpetual Corporate Trust provides a broad range of fiduciary, agency and digital products to the debt capital markets and managed funds industries both domestically and internationally. Debt Market Services includes trustee, document custodian, agency, trust management, accounting, standby servicing and reporting solutions. Perpetual Digital provides data services, industry roundtables, and our new Perpetual Intelligence platform-as-a-service products supporting the banking and financial services industry. Managed Funds Services provides services including independent responsible entity, wholesale trustee, custodian, investment management and accounting.

Our strategic imperatives

- Client first – delivering exceptional products and outstanding service
- Future fit – A scalable business platform that empowers our people to deliver high performance
- New Horizons – adding new capabilities and building a global footprint

Our sustainability focus
At Perpetual, creating enduring prosperity has been at the heart of what we do for over 135 years. This means helping our clients navigate the low carbon transition, building an inclusive, high-performance culture, strengthening local communities and upholding good governance, accountability and integrity in all we do.

Note: Any governance structures, framework, policies and forward-looking information in this reporting is current to the time of reporting. Any quantitative data and metrics are for the FY21 reporting period outlined in (C0.2).

(C0.2) State the start and end date of the year for which you are reporting data.

Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
01/07/2020	30/06/2021	No	<Not Applicable>

(C0.3) Select the countries/areas for which you will be supplying data.

Australia
United States of America

(C0.4) Select the currency used for all financial information disclosed throughout your response.

AUD

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

Activity	Does your organization undertake this activity?	Insurance types underwritten*	Industry sectors your organization lends to, invests in, and/or insures*
Investing (Asset manager)	Yes	N/A	Exposed to all broad market sectors

(C-FS0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier*
Yes, an ISIN code	AU000000PPT9

C1 Governance

Board oversight

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Investment Committee (IC) assists the Perpetual Board in monitoring the effectiveness of Perpetual's investment governance framework in relation to the investment activities Perpetual performs for its clients. Climate change risks and issues are considered when the IC monitors investment processes within Perpetual Asset Management Australia, Perpetual Asset Management International and Perpetual Private.
Board-level committee	The Audit, Risk & Compliance Committee (ARCC) is responsible for overseeing and managing risk in Perpetual including our Risk Management Framework (RMF). The ARCC is responsible for satisfying itself that the Perpetual's risk management framework deals adequately with emerging risks including sustainability and climate change. A key component of our RMF is our Risk Appetite Statement (RAS), which defines the amount of risk the Board is willing to take in the pursuit of Perpetual's strategic vision and objectives. Environmental, social and governance (ESG) factors, including climate-related issues, are considered within our RAS and wider risk management approach. This includes setting out the Board's appetite and position on ESG risks and the expected behaviours, measures and tolerances on ESG issues that management are to consider when setting and implementing strategy and running their day-to-day areas of responsibility. ESG factors are embedded in the way Perpetual conducts business.

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	[FINANCIAL SERVICES ONLY] Scope of board-level oversight	Please explain
Sporadic - as important matters arise	Other, Investment Management Process	Climate-related risks and opportunities to our investment activities	Climate change risks and issues are incorporated in the Perpetual Limited Investment Committee when reviewing investment processes within Perpetual Asset Management Australia, Perpetual Asset Management International and Perpetual Private.

Scheduled – some meetings	Reviewing and guiding risk management policies Other, Monitoring and overseeing ESG risks including climate-related risks and review of the annual Sustainability Report	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to other products and services we provide to our clients	The Audit, Risk & Compliance Committee (ARCC) is responsible for overseeing and managing risk in Perpetual including our Risk Management Framework (RMF). The ARCC is responsible for satisfying itself that the Perpetual's risk management framework deals adequately with emerging risks including sustainability and climate change. A key component of our RMF is our Risk Appetite Statement (RAS), which defines the amount of risk the Board is willing to take in the pursuit of Perpetual's strategic vision and objectives. ESG risks, including climate-related risks, are identified, assessed, managed and reported in accordance with our RMF and RAS. The Chief Risk Officer Report is presented on a quarterly basis to the Perpetual Limited (PL) Executive Committee (ExCo), ARCC and the PL Board and includes assessments against our RAS and associated metrics. The ARCC and the Perpetual Board reviews the draft annual Sustainability Report and provides feedback on the content before approving the final report that is disclosed to the market and published on Perpetual's website.

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

Board member(s) have competence on climate-related issues		
Not assessed		

Management responsibility

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	[FS ONLY] Reporting line	Responsibility	[FS ONLY] Coverage of responsibility	Frequency of reporting to the board on climate-related issues

Chief Financial Officer (CFO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations Risks and opportunities related to our investing activities	Annually
Chief Risk Officer (CRO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations Risks and opportunities related to our investing activities	Quarterly
Environment/ Sustainability manager	Finance - CFO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our own operations	Annually
Portfolio/Fund manager	Investment - CIO reporting line	Assessing climate-related risks and opportunities	Risks and opportunities related to our investing activities	Not reported to the Board
ESG Portfolio/Fund manager [Financial services only]	Investment - CIO reporting line	Assessing climate-related risks and opportunities	Risks and opportunities related to our investing activities	Not reported to the Board
Dedicated responsible investment analyst	Investment - CIO reporting line	Assessing climate-related risks and opportunities	Risks and opportunities related to our investing activities	As important matters arise

Employee incentives

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Provide incentives for the management of climate-related issues	Comment
Yes	Incentives for the management of climate-related issues are described in C1.3a.

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Financial Officer (CFO)	Monetary reward	Emissions reduction project Energy reduction project	The CFO oversees Perpetual’s group-wide commitments on climate change. This involves group-wide initiatives such as on renewable energy sourcing and energy use. The CFO has added specific measures in performance objectives and incentives relating to operational climate-related commitments.

Environment/ Sustainability manager	Monetary reward	Other, supporting implementation of Sustainability strategy including consideration of climate-related factors	The Head of Sustainability leads implementation of Perpetual's group-wide commitments and action plan on climate change, engagement and collaborative activities (e.g. membership of the Investor Group on Climate Change) and climate-related disclosure (e.g. CDP).
Environment/ Sustainability manager	Monetary reward	Other, supporting implementation of Sustainability strategy including consideration of climate-related factors	The Sustainability and Environment Manager supports implementation and integration of Perpetual's group-wide commitments and action plan on climate change. Supporting Net Zero portfolio commitments, group-wide energy sourcing changes and reduction initiatives, and education.
Dedicated Responsible Investment staff	Monetary reward	Other, supporting implementation of Responsible Investment policy, including consideration of climate-related factors	The Responsible Investments Team, led by the Head of Responsible Investments assists with Perpetual Asset Management Australia (PAMA) with integrating climate risk considerations within investment processes and, where appropriate, through active engagement with the boards and management teams of the companies they hold.
Portfolio/Fund manager	Monetary reward	Other, material ESG factors, including climate-related factors, could impact monetary rewards of Fund managers	PAMA's investment professionals' major KPI is investment performance. Hence, they are incentivised to demonstrate an understanding and apply consideration of ESG factors, including climate-related issues, that apply to our investments. If they fail to do so, and these risks subsequently impact our investments negatively (for example if we own fossil fuel-impacted companies), this will contribute to under-performance for our portfolios, which will directly impact their financial rewards.
ESG Portfolio/Fund manager	Monetary reward	Portfolio/fund alignment to climate-related objectives	The Portfolio managers for our Ethical SRI Funds have monetary incentives for growing the Funds, which each seek to invest in quality shares of ethical and socially responsible companies. The Funds have wider ethical and social responsibility considerations including not investing in companies that derive a material portion of revenue from fossil fuel exploration and production.

Retirement schemes

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

We offer an employment-based retirement scheme that incorporates ESG principles, including climate change	Describe how funds within the retirement scheme are selected and how your organisation ensures that ESG criteria are incorporated*	Provide reasons for not incorporating ESG criteria into your organisations employment-based retirement scheme and your plans for the future*
Yes, as the default investment option for all plans offered	Perpetual's default superannuation option is managed externally by Caresuper. As part of the appointment of Caresuper, Perpetual's due diligence incorporated questions focused on ESG integration within the investment process of the fund.	N/A

	Caresuper use a range of specialist investment managers across different asset classes and, before deciding to invest with them, they assess their ESG capabilities. Once appointed, they regularly review their investment managers processes to ensure they maintain high ESG risk management standards. This includes the requirement for them to identify and assess climate change risks and opportunities in their investment analysis. Caresuper invests in projects and businesses that contribute to the broader community. These include schools, healthcare, renewable energy and water-related investments. Caresuper exercises their voting rights at company meetings and use their influence to support positive corporate behaviour and drive improved ESG practices. CareSuper is committed to achieving net zero carbon emissions by 2050 for its investment program, in line with the Paris Agreement. This commitment is aligned with their ongoing program of initiatives to deliver sustainable investment outcomes in the best financial interests of their members.	

C2 Risks and opportunities

Management processes

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

Time horizon	From (years)	To (years)	Comment
Short-term	0	2	Environmental, Social & Governance (ESG) risks, including climate-related risks, are identified, assessed, managed and reported in accordance with our Risk Management Framework (RMF) and Risk Appetite Statement (RAS). Climate-related risks are considered as part of ESG risks which is one of Perpetual's ten risk categories: Strategic; People; Financial; Investment; Operational; Information Technology & Cyber Security; Outsourcing; ESG; Compliance & Legal; and Conduct. The Perpetual Risk Management Framework considered short-term time horizons to be associated with risks with a Likelihood of Almost Certain (within 6 months) or Likely (within 2 years).
Medium-term	2	5	ESG risks, including climate-related risks, are identified, assessed, managed and reported in accordance with our RMF and RAS. Climate-related risks are considered as part of ESG risks which is one of Perpetual's ten risk categories: Strategic; People; Financial; Investment; Operational; Information Technology & Cyber Security; Outsourcing; ESG; Compliance & Legal; and Conduct. The Perpetual Risk Management Framework considered medium-term time horizons to be associated with risks with a Likelihood of Possible (expected to occur between 2 to 5 years).

Long-term	5	10	ESG risks, including climate-related risks, are identified, assessed, managed and reported in accordance with our RMF and RAS. Climate-related risks are considered as part of ESG risks which is one of Perpetual's ten risk categories: Strategic; People; Financial; Investment; Operational; Information Technology & Cyber Security; Outsourcing; ESG; Compliance & Legal; and Conduct. The Perpetual Risk Management Framework considered long-term time horizons to be associated with risks with a Likelihood of Possible (expected to occur between 5 to 10 years).

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

At this point, the organisation has not fully defined substantive financial or strategic impacts in terms of climate risk to the business.

Perpetual undertook a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business.

Through this process, a potential universe of climate risks relevant to the Group were identified and presented to the workshop attendees. Additionally, initial qualitative scenario analysis under a 1.5, 2 and >3 degrees scenario was also provided as pre-read material so that attendees could familiarise themselves with this analysis prior to being asked to rank the climate risks on an inherent risk exposure basis. Climate risks were then ranked according to the inherent risk to the business under a 1.5-degree scenario. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered	Risk management process	Frequency of assessment	Time horizon(s) covered	Description of process
Direct operations	Integrated into multi-disciplinary company-wide risk management process	More than once a year	Short-term Medium-term Long-term	The Board's Audit, Risk and Compliance Committee (ARCC) is responsible for overseeing Perpetual's risk management process, which is enterprise wide and applies Perpetual's approach to risk management. It is based on a Risk Appetite Statement (RAS) set by the Perpetual Board, which outlines the risk boundaries and minimum expectations of Perpetual management. The RAS defines the amount of risk the Board is willing to take in the pursuit of Perpetual's strategic vision and objectives. The Chief Risk Officer report is presented on a quarterly basis to the Executive Committee, ARCC and the Perpetual Limited Board and includes assessments against our RAS and associated metrics. We have strengthened how ESG factors, including climate-related risks, are considered within our RAS and wider risk management approach. This includes setting out the Board's appetite and position on ESG risks, and the expected behaviours, measures and tolerances on ESG issues that management are to consider when setting and implementing strategy and running their day-to-day areas of responsibility. Further, in line with Perpetual's Risk Management Framework, management are responsible for ongoing ownership and management of risks within their business unit and promoting and implementing a culture of risk ownership and management that further reinforces the important role all employees play in managing risk at Perpetual.
Direct Operations	A specific climate-related risk	More than once a year	Short-term Medium-term	In Perpetual Asset Management Australia (PAMA), our responsible investment policy sets out our approach for considering ESG factors in our active investment decision-making and ownership practices. To the extent that information is available, investment managers assess what material ESG risks, including climate-related risks, an

	management process		Long term	investment is exposed to and what impact they are likely to have on the value of the investment. To do this, our Investment Analysts and Portfolio Managers are supported by a specialist Responsible Investment team producing our own proprietary research, supplemented by external research providers.

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

Risk type	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium Asset Management (Trillium), Barrow Hanley Global Investors (Barrow Hanley), Perpetual Asset Management Australia (PAMA) and Perpetual Private (PP) set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.
Emerging regulation	Relevant, sometimes included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.
Technology	Relevant, sometimes included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.

Legal	Relevant, always included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.
Market	Relevant, sometimes included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.
Reputation	Relevant, always included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.
Acute physical	Relevant, sometimes included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.

Chronic physical	Relevant, sometimes included	At a Group level, we have undertaken a climate risk assessment to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. This included consideration of transition risks including current and emerging regulation, technology, legal, market and reputation risks and acute and chronic physical risks of climate change. We have developed a roadmap of ongoing work to continue to assess and manage climate risks and opportunities in our business. The respective responsible investment policies of Trillium, Barrow Hanley, PAMA, and PP set out their approaches for considering ESG risks in investment decision-making. We assess material ESG risks, including climate-related risks, an investment is exposed to. If a risk is material, it will be considered in our investment decision-making.

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

Portfolio	We assess the portfolio's exposure
Investing (Asset manager)	Yes

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

Portfolio*	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Investing (Asset manager)	Integrated into multi-disciplinary company-wide risk management process	99%	Qualitative and quantitative	Short-term	Internal tools/methods	As a diversified multi-boutique and global business, each of our asset managers have their own investment philosophies and approaches to assessing and managing climate risk and opportunities for our clients. Our investment teams exercise independence in determining their investment strategies. As active managers, they do this through integrating climate risk considerations within investment processes, where appropriate, and through active engagement with the boards and management teams of the companies they hold, when suitable to do so. Proportion of 99% of portfolio covered by risk management process, reflects percentage of total AUM that is covered by one of our asset managers' responsible investment policies or AUM in dedicated ESG funds with a specialist ESG purpose or approach as well as mandates that have at least one ethical screen applied. The remaining proportion are AUM where ESG factors cannot be applied, such as derivatives. **Trillium Asset Management** When considering investment opportunities, companies are evaluated by Trillium on their environmental impact as part of our ESG integration. The firm considers GHG

						management and any other climate issues (such as water, waste, air emissions) which may be material to the company's operations and business model. Relevant metrics may include absolute and intensity-based GHG emissions metrics, as well as commitment to setting Science Based Targets (SBTs) in line with the Paris Agreement. **Barrow Hanley Global Investors** The proprietary Barrow Hanley Composite ESG Score is a key element of their investment process, using a weighted average of the scores from the firm's analysts, third-party ESG research and external reporting frameworks. During FY22, additional data on climate risks and carbon emissions was included to inform the firm's climate pathway analysis and reporting to client. **Perpetual Asset Management Australia** ESG factors are considered as part of PAMA's long established investment process. Gaining a greater understanding of the climate change risks and opportunities facing our portfolio companies was a particular focus for PAMA over FY22. An extensive review was undertaken by the Australian Equites team of how prepared companies in the ASX 300 are for the low carbon transition. A proprietary net zero scoring framework has also been developed to assess climate-related risks and opportunities for listed companies going forward. At a portfolio level, the PAMA team increased internal portfolio carbon reporting to portfolio managers and conducted portfolio stress testing to estimate the earnings impact of different carbon price scenarios. **Perpetual Private** As a multi manager, a significant portion of PP's investments are managed on behalf of our clients by external investment managers. ESG considerations are part of the due diligence of all investment managers, and a detailed survey has been sent out to external managers to determine their approaches on climate change and net zero portfolio alignment. The results from this review will feed into PP's approach on net zero.

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

Portfolio*	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Investing (Asset manager)	No, but we plan to do so in the next two years	We are currently in the process of developing a corporate sustainability strategy for Perpetual. As part of this we are planning to integrate considerations, such as priority issues including climate change, within client and supplier due diligence to ensure alignment with our sustainability strategy.

Risk disclosure

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.
Question dependencies

Identifier	Where in the value chain does the opportunity occur?	Risk type	Primary climate-related risk driver	Primary potential financial impact	Climate risk type	Company-specific description	Time horizon
Risk 1	Investing (Asset manager portfolio [FS only])	Market	Loss of clients due to a fund's poor environmental performance outcomes (e.g. if a fund has suffered climate-related write-downs) [Financial services only]	Decreased revenues due to reduced demand for products and services	Market Risk	**Investment Performance** Impact to share price linked to performance of individual business units on their integration and management of climate risk and opportunity.	Medium-term
Risk 2	Investing (Asset manager portfolio [FS only])	Emerging Regulation	Enhanced emissions-reporting obligations	Decreased revenues due to reduced demand for products and services	Reputational risk	**Greenwashing** Increasing regulatory scrutiny from Australian Securities and Exchange Commission (ASIC), Securities and Exchange Commission (SEC) and other global regulators, could see the Group experience reputational damage and fines. A potential loss of investor base and clients could be incurred due to an adverse finding by a regulator of greenwashing or misrepresenting ESG attributes.	Short-term
Risk 3	Direct operations	Market	Inability to attract co-financiers and/or investors due to uncertain risks related to the climate [Financial services only]	Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets	Market Risk	**Asset and contract risk** In the role of corporate trustee, Perpetual is the responsible entity for a number of assets. In the situation where an asset loses market value and becomes a stranded asset, Perpetual would remain the responsible entity for the asset and would be required to wind up the asset. Such a	Long-term

						situation could prove to be a particular risk in the event that such an required significant resources to unwind.	
Risk 4	Investing (Asset manager portfolio [FS only])	Market	Changing customer behavior	Decreased revenues due to reduced demand for products and services	Market risk	**Investor preference** Increasing community understanding and concern of climate change will accelerate the wide-scale behaviour changes consistent with adapting to, and limiting, global warming to 1.5 degrees. This could result in loss of funds under management due to investment underperformance, perception that the Group does not manage climate risk or changing customer preferences which favour climate risk management and opportunity identification.	Short-term
Risk 5	Direct operations	Market	Inability to attract co-financiers and/or investors due to uncertain risks related to the climate [Financial services only]	Decreased access to capital	Funding risk	**Access to capital** Loss of investors due to underperformance or preference for capital being aligned to financial services organisations who can demonstrate strong management of climate risks and opportunities. Developing climate disclosure standards will increasingly enable shareholders to understand climate risk management.	Medium-term
Risk 6	Investing (Asset manager portfolio [FS only])	Emerging Regulation	Carbon pricing mechanisms	Reduced profitability of investment portfolios [Financial services only]	Market Risk	**Carbon pricing** The Perpetual Group is exposed to carbon pricing risk through its underlying business units. Changes or introductions of carbon price mechanisms may impact business revenues of underlying investment holdings.	Medium-term
Risk 7	Investing (Asset manager portfolio [FS only])	Legal	Regulation and supervision of climate-related risk in the financial sector [Financial services only	Increased direct costs	Policy and legal risk	**Government & climate policy change** Failure to keep pace with changes in legislation and regulation as a result of changing Governments, for example Australia's new Labor government and its climate policies, and geopolitical changes, such as the Biden administration's focus on climate.	Short-term
Risk 8	Investing (Asset manager portfolio [FS only])	Current Regulation	Regulation and supervision of climate-related risk in the financial sector [Financial services only	Increased direct costs	Policy and legal risk	**Climate disclosure regulation** Requirement to adhere to climate regulations such as APRA's CPG 229, Sustainable Finance Disclosure Regulation, SEC and ASIC, which requires the Group to manage regulation across various jurisdictions including Australia, the United States and Europe.	Short-term

Risk 9	Direct operations	Legal	Other, please specify Fiduciary obligations	Increased direct costs	Policy and legal risk	**Meeting fiduciary obligations** The Board of directors have a fiduciary duty to oversee climate risk across the Group and must demonstrate effectiveness in order to discharge their duties. This also requires adequate knowledge and information on climate risks.	Medium-term
Risk 10	Investing (Asset manager portfolio [FS only])	Legal	Exposure to litigation	Increased direct costs	Policy and legal risk	**Litigation** Risk of experiencing litigation as a result of not managing or disclosing climate risk adequately or as a result of misrepresentation or omissions of consideration of ESG factors when making investment decisions.	Medium-term
Risk 11	Investing (Asset manager portfolio [FS only])	Technology	Substitution of existing products and services with lower emissions options	Decreased revenues due to reduced demand for products and services	Market Risk	**Technology and innovation spend** Risk of under investing in low carbon strategic growth areas and product development and miss opportunities to gain exposure to growing climate solutions market. Shareholder and client experience can improve with transparency and data on climate, potentially leading to market share, for those that invest in additional capabilities.	Medium-term
Risk 12	Direct operations	Market	Other, loss of clients due to misalignment on climate	Decreased revenues due to reduced demand for products and services	Market Risk	**Strategic alignment with clients and partners** Investment or client acquisition risk is created through misalignment with strategic climate risk objectives between the Group and clients or partners. Risk of missing out on opportunity to strategically position for rise in demand for ESG positive products and services.	Medium-term
Risk 13	Investing (Asset manager portfolio [FS only])	Reputation	Increased stakeholder concern or negative stakeholder feedback	Decreased revenues due to reduced demand for products and services	Reputation al risk	**Net Zero Target Setting** Risk of becoming misaligned with targets set by governments and competitors and market expectations on setting and implementing emissions reductions targets.	Medium-term

Identifier	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Risk 1	More likely than not	Medium	Yes, an estimated range		500,000	2,000,000
Risk 2	Unlikely	Medium-high	Yes, an estimated range		2,000,000	8,000,000
Risk 3	More likely than not	Medium-high	Yes, an estimated range		500,000	2,000,000

Risk 4	About as likely as not	Medium-high	Yes, an estimated range		2,000,000	8,000,000
Risk 5	Likely	Medium	Yes, an estimated range		500,000	2,000,000
Risk 6	About as likely as not	Medium-low	Yes, an estimated range		100,000	500,000
Risk 7	More likely than not	Medium	Yes, an estimated range		500,000	2,000,000
Risk 8	Very likely	Medium-high	Yes, an estimated range		500,000	2,000,000
Risk 9	About as likely as not	Medium	Yes, an estimated range		500,000	2,000,000
Risk 10	About as likely as not	Medium-low	Yes, an estimated range		500,000	2,000,000
Risk 11	Likely	Medium-low	Yes, an estimated range		100,000	500,000
Risk 12	Unlikely	Medium	Yes, an estimated range		500,000	2,000,000
Risk 13	Unlikely	Medium	Yes, an estimated range		500,000	2,000,000

Identifier	Explanation of financial impact figure	Cost of response to risk	Description of response and explanation of cost calculation	Comment
Risk 1	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 2	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 3	The financial impact figure is defined for a single trust to be impacted as a result of asset and contract risk. Perpetual undertook a climate risk assessment to further identify our climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our divisions to prioritise the climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A

Risk 4	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 5	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 6	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 7	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales. For this risk, the minimum financial impact figure is $500,000 and the maximum is $2 million based on the possible inherent impact of the risk as estimated through our climate risk assessment project.	50,000	Case study 1: In FY22, Perpetual undertook a climate risk assessment, which involved building understanding of the requirement to adhere to climate regulations such as APRA's CPG 229. This will enable Perpetual to better respond to emerging regulation on climate. The recommendations from the assessment will be implemented over FY23 and FY24. The external costs incurred through that project were $50,000. As part of the roadmap of further activity, identified through that climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 8	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales. For this risk, the minimum financial impact figure is $500,000 and the maximum is $2 million based on the possible inherent impact of the risk as estimated through our climate risk assessment project.	300,000	Case study 1: In FY22, Perpetual undertook a climate risk assessment, which involved building understanding of the requirement to adhere to climate regulations such as APRA's CPG 229. This will enable Perpetual to better respond to emerging regulation on climate. The recommendations from the assessment will be implemented over FY23 and FY24. The external costs incurred through that project were $50,000. Case study 2: In FY22, we launched three ESG-focused funds in Europe, and had one more authorised by the	N/A

			Central Bank of Ireland, which was to be launched in July. These funds are classified as Article 8 funds under SFDR regulations, Article 8 funds are defined as those that promote environmental or social characteristics, or a combination of both, and invest in companies that follow good governance practices. The combined cost to set up the Undertakings for the Collective Investment in Transferable Securities (UCITS) structure and to launch the funds in Europe was approximately $250,000. This will enable us to launch future UCITS funds in Europe as well. The combined figure costs for the two projects is $300,000. As part of the roadmap of further activity, identified through that climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	
Risk 9	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	
Risk 10	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 11	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A
Risk 12	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A

Risk 13	Perpetual undertook a climate risk assessment project to further identify our inherent climate risks and assess their potential impact. The potential financial impacts have been estimated based on this process including through two workshops that were held with subject matter experts across our business divisions to prioritise the inherent climate risks that have the potential to have the most impact on our business based on Perpetual's risk assessment scales.		As part of the roadmap of further activity, identified through our climate risk assessment project, we will continue to assess the climate-related risks associated with our business including further detailed work to disclose the controls we have in place to manage those risks and the costs related to those controls.	N/A

Opportunity disclosure

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier	Where in the value chain does the opportunity occur?	Opportunity type	Primary climate-related opportunity driver	Primary potential financial impact	Company-specific description	Time horizon
Opp1	Direct operations	Resource efficiency	Use of more efficient production and distribution processes	Reduced direct costs	**Digital workplace** As part of our digital workplace program, we are upgrading to more energy efficient and better performing laptops. The processors in the new models are twice as efficient as the laptops they are replacing and, as at 30 June 2022, had been provided to half of our people. We are also deploying a new energy-efficient desktop solution, which does not require a separate docking device. This is approximately 30% more efficient per desk than the previous desktop set-up. Over the course of a year, we will be rolling out around 400 new monitors. As part of our five-year transformation strategy of IT infrastructure, we reviewed our physical data centre services. We transitioned our services from physical server data centres to Azure cloud services provided by Microsoft and as a result obtained a material decrease in Scope 3 (category 8) emissions from these operations. The reduction resulted in a 90.43% decrease in carbon emissions relating to our data centres. The main driver for the transition to cloud services is to mitigate the risk of aging infrastructure in our on-premises data centre rather than for cost savings.	Short term
Opp2	Investing (Asset manager)	Products and services	Development and/or expansion of	Increased revenues resulting	**Perpetual Asset Management Australia (PAMA)** **Perpetual Ethical SRI Fund and Perpetual Ethical SRI Credit Fund**	Short term

	portfolio [FS only]		low emission goods and services	from increased demand for products and services	We also offer ethical and impact focused investment products, which exclude certain investments based on ethical criteria or seek to have a positive social or environmental impact while also providing a financial return. Our Wholesale Ethical SRI Fund, launched in 2002, and our Ethical SRI Credit Fund, established in 2018, are designed for investors who seek long-term returns while investing in companies that reflect their own values. The funds exclude companies or issuers that derive 5% or more of their total revenue from fossil fuel exploration and production. **Perpetual Ethical SRI Fund (Managed Fund) (ASX: GIVE)** In November 2021, we made the Ethical SRI Fund more accessible for investors by launching an active ETF class under the ASX Code: GIVE. **Perpetual ESG Real Return Fund** The Perpetual ESG Real Return Fund invests in a diversified portfolio of assets that are selected based on a range of sustainable, ethical and financial criteria. The Fund predominantly invests in funds with fossil fuel exclusions with the exception of some ETFs, which provide asset class exposure, but where we cannot mandate the exact criteria.	
Opp3	Investing (Asset manager) portfolio [FS only]	Products and services	Development and/or expansion of low emission goods and services	Increased revenues resulting from increased demand for products and services	**Perpetual Asset Management International (PAMI)** **Trillium** Trillium offer a range of values-aligned, ESG-integrated investment products all of which currently have no direct fossil fuel exposure. Trillium's funds have no direct investment in any companies that explore for, extract, process or refine fossil fuels, or generate power from coal, oil or gas. Trillium Funds may hold companies that have indirect exposure to fossil fuels if the company has demonstrated a verified commitment to a low-carbon business model. Their funds include the Trillium Global Sustainable Opportunities Fund, available to clients in the US and Australia, which is a sustainability-themed strategy that invests in companies providing products and services to meet specific sustainability challenges, including climate change. Two of Trillium's funds were launched in Europe in FY22: the longstanding Trillium ESG Global Equity Fund, which is also available in the US and Australia and has been fossil fuel free since its inception in 1999, and the Trillium ESG Global Conviction Fund, run by the newly formed Trillium UK team, which supports net carbon neutrality by 2050 and aligns with a potential temperature increase of 1.5°C. **Barrow Hanley** Building on their existing ESG investment capabilities, in FY22, Barrow Hanley launched the Barrow Hanley Global ESG Value Fund and the Barrow Hanley Concentrated Emerging Markets ESG Fund in Europe. Barrow Hanley takes into consideration ESG factors, alongside	Short term

					other criteria, when assessing risks and making investments in these funds such as GHG emissions, vulnerability to climate change and biodiversity.	

Identifier	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure - minimum (currency)	Potential financial impact figure - maximum (currency)
Opp1	Very likely	Medium-low	Yes	28,000		
Opp2	Very likely	High	No, we do not have this figure			
Opp3	Very likely	High	No, we do not have this figure			

Identifier	Explanation of financial impact figure	Cost to realize opportunity	Strategy to realize opportunity and explanation of cost calculation	Comment
Opp1	As part of improving our employee experience and a move towards a more sustainable business we have begun to provide new monitors to our people. This will enable employees to have less cluttered desk spaces and to be more energy efficient when they are in the office. There are further potential cost savings by not having to purchase additional docks and potential reduced energy consumption from not having separate docks as they are approximately 30% more efficient per desk than the previous desktop set-up.	52,000	As part of improving our employee experience and a move towards a more sustainable business we have begun providing new monitors for our people. The new monitors have inbuilt docking stations, which allow multiple monitor, mouse, keyboard and laptop connections and also act as a charging station. These new monitors are more energy efficient than their predecessors and more cost efficient than docks. It is estimated to cost approximately $52,000 to roll out new monitors (around 400) across our Sydney head office. This is approximately $28,000 less expensive than the total cost of equivalent docks.	N/A
Opp2	By the end of FY21, the Perpetual Ethical SRI Fund had $958 million in funds under management (FUM) and our Perpetual Ethical SRI Credit Fund had $29 million FUM.		We are at a crucial stage in the evolution of responsible investing. ESG considerations are increasingly becoming part of mainstream investment. More and more, clients and shareholders are seeking to create positive impact, driven by greater social and environmental awareness, and the recognition that consideration of ESG factors in investment can help reduce risks, uncover opportunities and drive performance over the long term. We have a long history in this area, setting up our first Ethical SRI fund in 2002.	N/A
Opp3	We launched three ESG-focused funds in Europe, and had one more authorised, which were classified as Article 8 funds under SFDR regulations. Article 8 funds are defined as those that promote environmental or social characteristics, or a combination of both, and invest in companies that follow good governance practices. Together, these had secured $700 million in client funds by the end June 2022.	250,000	We launched three ESG-focused funds in Europe, and had one more authorised by the Central Bank of Ireland which was to be launched in July. These funds are classified as Article 8 funds under SFDR regulations, Article 8 funds are defined as those that promote environmental or social characteristics, or a combination of both, and invest in companies that follow good governance practices. Together, these had secured $700m in client AUM by the end June 2022. We estimate the cost to have the ESG-focused funds authorised and launched in Europe was approximately $250,000.	N/A

C3 Business strategy

Business strategy

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Transition plan	Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future
No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years	Perpetual is currently developing a corporate Sustainability Strategy. This strategy will include a set of commitments and actions relating to climate change and we plan to develop a transition plan within two years.

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Use of climate-related scenario analysis to inform strategy
Yes, qualitative, but we plan to add quantitative in the next two years

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Parameters, assumptions, analytical choices
NGFS scenarios Framework [Financial Services only]	Company-wide	We have used the following three scenarios informed by the International Panel on Climate Change and the Network for Greening the Financial Sector. 1.5 degrees and >3 degrees scenarios have been chosen as they are extreme scenarios representing the greatest amount of risk for Perpetual. Our assumptions for 1.5 degrees are as follows: • Rapid and unprecedented transitions occur to avoid 1.5 degrees.

		• Transition occurs throughout energy, land, food, urban, infrastructure, transport, buildings and industrial systems. • International cooperation is required to meet decarbonisation targets. • Education will accelerate the changes consistent with mitigation and adaptation. • The widespread adoption of new and disruptive technologies and enhanced climate-driven innovation will be required, including Carbon Capture and Storage. • Significant economic incentives for companies to invest rapidly and at scale. • Emphasis on decarbonising the electricity supply, increasing electricity use, increasing energy efficiency, and developing new technologies to tackle hard-to-abate emissions. • Rapid uptake of renewable electricity generation, the expansion of the hydrogen market and expanding the use of bioenergy.

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Focal questions	Results of the climate-related scenario analysis with respect to the focal questions
In FY22, we undertook a climate risk assessment project to further identify our climate risks and assess their potential impact. Two workshops were held with subject matter experts across our business divisions, to provide a common understanding of the trends on climate risk and regulations and to prioritise the climate risks that have the potential to have the most impact on our business. These workshops focused on a selection of scenarios, ranging from 1.5C through to >3C. The key questions and objectives for these workshops were: • What is the level of understanding of climate risks and related trends and frameworks in key Perpetual subject matter experts? • What is the universe of climate risks of most importance to the Group and our divisions? • What are the priority inherent climate risks and opportunities based on input from workshop participants and other inputs? • What recommendations should be made to enhance risk management and reporting aligned with the Taskforce on Climate-related Financial Disclosures?	• We identified our universe of climate risks and opportunities that are the most material for our business. • Investor preferences, greenwashing, asset risk and investment performance are regarded to be the greatest inherent climate risks to Perpetual. • Informed climate action plan within climate pillar of Perpetual's sustainability strategy. • Roadmap of actions which will inform Perpetual's risk management including the Risk Management Framework and Risk Appetite Statement ESG risk category. • Provides a foundation and roadmap for deeper quantitative climate risk assessments and scenario analysis over future years.

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Business area	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Perpetual's strategy seeks to build on the foundation of four core businesses, forming a scalable business model supported by shared central services and a strong brand. In pursuing its growth strategy, the Group has determined the following strategic imperatives: • Client first – delivering exceptional products and outstanding service • Future fit – A scalable business platform that empowers our people to deliver high performance • New Horizons – adding new capabilities and building a global footprint We are growing our suite of investment products, which include ESG criteria and considerations, including those with climate-related criteria. This included the launch of our first active Exchange Traded Fund (ETF) that invests in Australian ethical and socially responsible companies and excludes companies or issuers based on certain ethical screens including those that derive five per cent or more of their total revenue from fossil fuel exploration and production. It trades under the ASX code: GIVE. We also launched three ESG-focused funds in Europe classified as Article 8 funds under SFDR regulations and had one other authorised. Article 8 funds are defined as those that promote environmental or social characteristics, or a combination of both, and invest in companies that follow good governance practices. Together, these had secured $700m in client funds by the end June 2022.
Supply chain and/or value chain	Yes	For Perpetual Asset Management Australia (PAMA), responsible investment means incorporating consideration of ESG factors into our investment activities. The consideration of ESG factors does not include making ethical judgements on behalf of clients, unless the investment is part of a product or portfolio that has specific ethical objectives. In PAMA, which in 2009 became a signatory to the PRI, the responsible investment policy sets out PAMA's approach for considering ESG factors in active investment decision-making and ownership practices. Investment managers assess what material ESG risks, including climate-related risks, an investment is exposed to and what impact they are likely to have on the value of the investment. To do this, our Investment Analysts and Portfolio Managers are supported by a specialist Responsible Investment team producing our own proprietary research, supplemented by external research providers. As an example of the execution of our strategy, our acquisition of Trillium in June 2020 allows us to respond to continued client demand for responsible investing worldwide.
Investment in R&D	Yes	We are growing our suite of investment products, which include ESG criteria and considerations, including those with climate-related criteria. This included the launch of our first active Exchange Traded Fund (ETF) that invests in Australian ethical and socially responsible companies and excludes companies or issuers based on certain ethical screens including those that derive five per cent or more of their total revenue from fossil fuel exploration and production. It trades under the ASX code: GIVE. We also launched four three ESG-focused funds in Europe classified as Article 8 funds under SFDR regulations and had one other authorised. Article 8 funds are defined as those that promote environmental or social characteristics, or a combination of both, and invest in companies that follow good governance practices. Together, these had secured $700m in client AUM by the end June 2022.
Operations	Evaluation in progress	We are developing a sustainability strategy for Perpetual. This will set out our approach to sustainability at Perpetual and consider how we can continue to reduce our operational impact on climate change and the environment.

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

Financial planning elements that have been influenced	Description of influence
Acquisitions and divestments	Perpetual acquired Trillium Asset Management (Trillium) in the US in June 2020. Trillium is one of the pioneers in integrated ESG investing with a 38-year track record of delivering investment returns for clients while leveraging their capital for positive social and environmental impact. Perpetual acquired 100% of Trillium for US$41.4 million (A$63.8 million). Perpetual announced the acquisition of Pendal on 25 August 2022. This will create a global leader in multi-boutique asset management with AUM over A$201 billion across Global, US, UK, European, Asian and Australian equities, Cash and Fixed Interest and Multi Asset strategies. It also creates a global leader in ESG investing, with Trillium, Regnan and other dedicated ESG capabilities including dedicated ESG AUM of A$15b (made up of AUM with a specialist ESG investment approach, combining both Perpetual and Pendal AUM). It will be a leading global voice in ESG, with an impact investing platform that will be increasingly utilised across the Group.

Business strategy: Financial services

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

Yes, our framework includes both policies with client/investee requirements and exclusion policies

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio*	Type of policy*	Portfolio coverage of policy	Policy availability	Attach documents relevant to your policy	Criteria required of clients/ investees	Value chain stages of investee covered by criteria	Timeframe for compliance with policy criteria	Industry sectors covered by the policy	Exceptions to policy based on*	Explain how criteria coverage and/or exceptions have been determined
Investing (Asset manager)	Sustainable/ Responsible Investment Policy	99%	Publicly available	Trillium investment approach Barrow Hanley Responsible Investment Policy	Other, Responsible Investment Policies	Direct operations only	Complying with criteria is a pre-requisite for business	Energy Materials Capital Goods Commercial & Professional Services Transportation Automobiles & Components Consumer Durables &	Other, None	As a diversified multi-boutique and global business, each of our asset managers have their own investment philosophies and approaches to managing climate risk and opportunities for our clients. Our investment teams exercise independence in determining their investment

				[PAMA Responsible Investing Policy]				Apparel Consumer Services Retailing Food & Staples Retailing Food, Beverage & Tobacco Household & Personal Products Health Care Equipment & Services Pharmaceuticals, Biotechnology & Life Sciences Software & Services Technology Hardware & Equipment Semiconductors & Semiconductor Equipment Telecommunication Services Media & Entertainment Utilities Real Estate		strategies. As active managers, they do this through integrating climate risk considerations within investment processes, where appropriate, and, where appropriate, through active engagement with the boards and management teams of the companies they hold, when suitable to do so. Proportion of 99% of portfolio covered by risk management process, reflects percentage of total AUM that is covered by one of our asset managers' responsible investment policies or AUM in dedicated ESG funds with a specialist ESG purpose or approach as well as mandates that have at least one ethical screen applied. The remaining proportion are AUM where ESG factors cannot be applied, such as derivatives.

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio*	Type of exclusion policy	Year of exclusion implementation	Timeframe for complete phase-out	Application	Country/Region the exclusion policy applies to	Description
Investing (Asset manager)	Other, At a minimum, the company must have no new commitment to initiate new fossil fuel exploration,	2021	Already phased out	New business/ investment for new projects New business/ investment for existing projects	Other, All regions	In the historically fossil fuel-dominated areas of Energy and Power, Trillium seeks to invest in companies that enable the transition to a net zero greenhouse gas emission economy and demonstrate alignment with the global ambition to limit climate change. Trillium will not invest in Energy and Power companies that have not demonstrated a commitment to a business model designed to succeed in a low carbon economy. Trillium's analysis of Energy and Power companies is

	production or refining, or fossil fuel or nuclear power generation					inherently forward looking, seeking to find the companies best-positioned to lead, and benefit from, the ongoing energy transition. We believe that investing in companies that are mired in outdated ways of thinking, ignoring both climate risks and the opportunities of transition, exposes portfolios to unnecessary, material risks - particularly in these key sectors. In practice, this means that to be considered for investment, an Energy or Power company must have demonstration of a business model designed to succeed in a low-carbon economy. At a minimum, the company must have no new commitments to initiate new fossil fuel exploration, production or refining; or fossil fuel or nuclear power generation.
Investing (Asset manager)	Other, Funds does not invest in companies that derive five per cent or more of their total revenue from fossil fuel exploration and production	2002	Other, Already phased out for companies that derive five per cent or more of their total revenue from fossil fuel exploration and production	New business/ investment for new projects New business/ investment for existing projects Existing business/ investment for existing projects	Other, Primarily Australia and New Zealand, however the funds are able to invest up to 20% into international holdings (all regions)	Perpetual Ethical SRI Fund and Perpetual Ethical SRI Credit Fund exclude companies or issuers that derive 5% or more of their total revenue from fossil fuel exploration and production.

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

Climate-related requirements included in selection process and engagement with external asset managers
Yes

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage	Mechanisms used to include climate-related requirements in external asset manager selection	Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
Majority of assets	Review investment manager’s climate performance (e.g., active ownership,	The Perpetual Private (PP) manager selection process incorporates ESG considerations as part of the due diligence of all investment managers. An integral part of our approach is to understand how these managers identify ESG opportunities and manage risk, including those relating to climate change.

managed externally	proxy voting records, under-weighting in high impact activities) Review investment manager's climate-related policies Use of external data on investment managers regarding climate risk management	This may include: • A review of the investment manager's ESG policy. • Whether the manager is a signatory to the UN-supported Principles for Responsible Investment • An understanding of how ESG risk management is built into the manager's investment process. • Determining whether ESG risks are being carefully considered as part of the asset or security selection process. • Ensuring ESG risk management is appropriately built into proxy voting policies, where applicable. • Consideration of how ESG issues are being managed within the portfolio by the external investment manager and how these ESG issues may impact Perpetual Private's portfolios. Once an investment manager has been selected, Perpetual Private then engages with the manager and monitors the integration of responsible investment into their processes. Where mandates have been implemented, this will involve a look through to the underlying holdings. For unitised funds, we will seek reporting from the managers. PP's aspiration is for the investments covered by this Responsible Investment policy to be aligned to net zero by 2050. Before PP makes this commitment, the business is in the process of working with external managers on how best to achieve this. PP plan's to build out net zero targets over the next year and will keep clients updated on their progress and approach.

C4 Targets and performance

Emissions targets

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

Primary reason	Five-year forecast	Please explain
We are planning to introduce a target in the next two years	Although Perpetual has not committed to targets relating to reducing environmental impact at this time, as part of our upcoming Sustainability Strategy, we plan to set out commitments on emissions reductions across various parts of the organisation. We expect to our emissions to reduce over	In 2022, we are working on creating a new Sustainability Strategy for Perpetual, which will include consideration of KPIs and targets. To date we have completed comprehensive stakeholder research which has helped to inform the development of our materiality assessment. Through this process, we will set out

	the next five years through the procurement of renewable energy for our operational electricity use and through reduction in our energy intensity.	a clear vision and set of commitments to achieve our goals and play our role in advancing a sustainable and equitable world.

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

Emissions reduction initiatives

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

Stage of development	Number of initiatives	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
Implemented*	1	17.19
Under investigation	1	1,484

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category	Initiative type	Estimated annual CO2e savings (metric tons CO2e)	Scope(s) or Scope 3 category(ies) where emissions savings occur	Voluntary/ Mandatory	Annual monetary savings (AUD)	Investment required (AUD)	Payback period	Estimated lifetime of the initiative	Comment
Company policy or	Supplier engagement	17.19	Scope 3 category 8:	Voluntary	0	2,500,000	No payback	Ongoing	As part of our five-year transformation strategy of IT infrastructure, we reviewed our physical data

behavioral change			Upstream leased assets						centre services. We transitioned our services from physical server data centres to Azure cloud services provided by Microsoft and as a result obtained a material decrease in Scope 3 (category 8: Upstream leased assets) emissions from these operations. The reduction resulted in a 90% decrease in carbon emissions relating to our data centres. A key driver for the transition to cloud services is to mitigate risk of aging infrastructure in our on-premises data centre rather than for cost savings.

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	Perpetual is developing a group-wide Sustainability Strategy that will outline a series of commitments and Key Performance Indicators (KPI) to focus the organisation on emissions reduction activities. The inclusion of these commitments and KPIs is key to the organisation driving investment into emissions reduction activities. There is a budget associated with this Sustainability Strategy to drive our emissions reductions initiatives and programs.

Low-carbon products

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business	Taxonomy or methodology used to classify product	Description of product	Product enables clients to mitigate and/or adapt to climate change	Portfolio value (unit currency – as specified in C0.4)	% of total portfolio value	Type of activity financed/insured or provided
Listed Equity	Internally classified	Perpetual Ethical SRI Fund within Perpetual Asset Management Australia (PAMA)	Mitigation Adaptation	958,000,000	0.86%	• Green Buildings and equipment • Low-emissions transport • Emerging climate technology • Nature-based solutions • Fortified buildings • Sustainable agriculture

Fixed Income	Internally classified	Perpetual Ethical SRI Credit Fund within PAMA	Mitigation Adaptation	29,000,000	0.06%	• Green Buildings and equipment • Low-emissions transport • Emerging climate technology • Nature-based solutions • Fortified buildings • Sustainable agriculture

C5 Emissions methodology

Base year emissions

(C5.1) Is this your first year of reporting emissions data to CDP?

No

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Has there been a structural change?	Name of organization(s) acquired, divested from, or merged with*	Details of structural change(s), including completion dates*
No		

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology, boundary, and/or reporting year definition?	
No	

(C5.2) Provide your base year and base year emissions.

Scope	Base year start	Base year end	Base year emissions (metric tons CO2e)	Comment
Scope 1	July 1 2006	June 30 2007	314.2	
Scope 2 (location-based)	July 1 2006	June 30 2007	3345.9	
Scope 2 (market-based)	July 1 2006	June 30 2007	3345.9	

Emissions methodology

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6 Emissions data

Scope 1 emissions data

(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Year	Gross global Scope 1 emissions (metric tons CO2e)	Start date	End date	Comment
Reporting year	0	July 1 2020	June 30 2021	Gross global Scope 1 emissions are seen as not material.

Scope 2 emissions reporting

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	Following a review of our environmental data reporting approach, we have updated our location-based and market-based reporting methodologies to ensure a high degree of accuracy and transparency and to align with best practice. **Location-based approach** Perpetual has previously estimated its Scope 2 electricity emissions using a location-based approach, which referred to Australia's national grid emissions intensity. From the FY20 CDP submission and going forward, we have updated this approach to use state-specific emission factors as published in the National Greenhouse and Energy Reporting (Measurement) Determination and National Greenhouse Accounts Factors 2020. We believe that this approach provides a high level of accuracy around the emissions associated with electricity consumption across our operations. **Market-based approach** Perpetual has previously estimated its Scope 2 electricity emissions using a market-based approach based on retailer emissions estimates as received on invoices. In FY20, Australia's Climate Active (carbon neutral certification body) released guidance covering market-based emissions accounting. This approach allows for recognition of an organisation's renewable energy purchases (as evidenced by appropriate contractual instruments). This guidance also provides formula to estimate the residual mix factor based on Australia's legislated renewable power percentages for each calendar year and the relevant national emissions intensity factor (sourced from the National Greenhouse Accounts Factors). In our FY20 CDP submission, we have adopted this approach as part of the ongoing development of our environmental disclosure. We consider this approach to provide greater transparency and consistency moving forward.

Scope 2 emissions data

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Year	Scope 2, location-based	Scope 2, market-based (if applicable)	Start date	End date	Comment
Reporting year	1483.6	2170.4	July 1 2020	June 30 2021	See C6.2 for our updated methodologies for location-based and market-based reporting to ensure a high degree of accuracy and transparency and to align with best practice.

Exclusions

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Scope 3 category	Evaluation status	Metric tons CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Please explain
Purchased goods and services	Not relevant, explanation provided	N/A	N/A	N/A	Immaterial
Capital goods	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	1279.3	Emissions associated with estimated base building energy was 1213.3 tCO2e in FY21. This was calculated using location-based electricity factors from NGER. Business continuity site electricity was 66 tCO2e in FY21, based on scope 2 electricity factors.	100	For base building emissions, cost data for whole base building energy provided by landlords and adjusted based on Perpetual Net Lettable Area share. Average electricity cost for site applied to estimate associated electricity consumption. Business continuity plan site electricity calculated based on energy use in business continuity plan site per machine.
Upstream transportation and distribution	Not relevant, explanation provided	N/A	N/A	N/A	Immaterial
Waste generated in operations	Not relevant, explanation provided	N/A	N/A	N/A	Immaterial
Business travel	Relevant, calculated	106.2	Consists of business emissions relating to air travel using airline methodology (99.4 tCO2e) and taxis emissions (6.9 tCO2e) estimated based on trips and cost data provided by the supplier.	100	Data provided by Airline.

Employee commuting	Relevant, calculated	141.5	Estimated using employee survey data of commuting vehicle type and average commuting distance combined with average head count and average attendance at our offices.	0	Estimated
Upstream leased assets	Not relevant, explanation providing	N/A	N/A	N/A	Immaterial
Downstream transportation and distribution	Not relevant, explanation provided	N/A	N/A	N/A	Immaterial
Processing of sold products	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Use of sold products	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
End of life treatment of sold products	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Downstream leased assets	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Franchises	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Other (upstream)	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable
Other (downstream)	Not relevant, explanation provided	N/A	N/A	N/A	Not applicable

Emissions intensities

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure	Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason for change
2.38	1483.6	unit total revenue	623600000	Location-based	23.81	Decrease	Our reduction in Scope 2 emissions, which was the main driver behind the reduction in our emissions intensity by revenue, was mainly due to continued reduced office-relative hours while our people worked from home during COVID-19.

0.87	1483.6	Other, average head count	1711	Location-based	31.09	Decreased	Our reduction in Scope 2 emissions, which was the main driver behind the reduction in our emissions intensity by average head count, was mainly due to having less people in our offices while our people worked from home during COVID-19. Please note: Metric denominator was previously reported as full time equivalent (FTE) employee. Average head count is a more accurate description of the denominator used.

C7 Emissions breakdown

Emissions performance

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Reason	Change in emissions (tCO2e)	Direction of change	Emissions value (%)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers				
Change in output	44.00	Decrease	2.88	Our Scope 1 and 2 emissions in FY20 were 1,527.6 tCO2e compared to 1,483.6 tCO2e in FY21, a reduction of 44 tCO2e. This decrease of 2.88% mainly due to having less people in our offices while our people worked from home during COVID-19 leading to lower emissions from our properties.
Change in methodology				

Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8 Energy

Energy spend

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

Energy-related activities

(C8.2) Select which energy-related activities your organization has undertaken.

Activity	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No

Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Activity	MWh from renewable sources	MWh from non-renewable sources	Total (renewable + non-renewable) MWh
Consumption of purchased or acquired electricity	0	3546.4	3546.4
Total energy consumption	0	3546.4	3546.4

C9 Additional metrics

Other climate-related metrics

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description	Metric value	Metric numerator	Metric denominator (intensity metric only)	% change from previous year	Direction of change	Please explain
N/A	N/A	N/A	N/A	N/A	N/A	N/A

C10 Verification

Verification

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

Scope	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

Other verified data

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11 Carbon pricing

Project-based carbon credits

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

Internal price on carbon

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12 Engagement

Value chain engagement

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our investees

(C-FS12.1c) Give details of your climate-related engagement strategy with your investee companies.

Type of engagement	Details of engagement	% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b	Investing (Asset managers) portfolio coverage*	Rationale for the coverage of your engagement	Impact of engagement, including measures of success
Engagement & incentivization (changing investee behavior)	Exercise active ownership	N/A	0.86%	The Perpetual Ethical SRI Fund equates to 0.85% of Perpetual's total AUM as at June 2021.	Across our global businesses, we offer dedicated ESG investment strategies, which include criteria related to climate change. This includes the Perpetual Ethical SRI Fund, which excludes companies or issuers that derive 5% or more of their total revenue from fossil fuel exploration and production. We conduct carbon footprint assessments of the Perpetual Ethical SRI Fund to understand its contribution to climate change. This revealed that the companies within the portfolio emitted 23,928 tonnes CO2e in FY21 based on the Fund's ownership share. The weighted average carbon intensity for our equity holdings in the Fund was 38.7 tonnes CO2e per million AUD sales. This metric indicates a portfolio's exposure to potential climate-related risks relative to

					other portfolios. It is PAMA's policy that investment managers are obliged to use their influence as an asset manager to achieve better investment outcomes over the long term. If investment teams believe an issue is material in the context of their investment strategy, including for climate-related issues, and that as a shareholder they can positively influence how a company is addressing this issue, then they can engage.
Engagement & incentivization (changing investee behavior)	Encourage investees to set a science-based emissions reduction target Encourage better climate-related disclosure practices among investees	N/A	5.22	Trillium's interim target covers larger cap equity strategies which equates to an estimated 5.22% of Perpetual's total AUM as at Dec 2021.	Trillium, a pioneer in sustainable investing, seeks to invest in companies that enable the transition to a net zero greenhouse gas (GHG) emission economy and demonstrate alignment with the global ambition to limit climate change. Having become a signatory to the Net Zero Asset Managers Initiative in April 2021, Trillium was among the first group of signatories globally to publish their 2030 interim net zero target in November 2021 in the lead up to the United Nations Climate Change Conference (COP26) in Glasgow. Their interim target is for 75% of the holdings of Trillium-advised larger cap-equity strategies to commit to set science-based targets for reducing their GHG emissions, as approved by the Science Based Targets Initiative, by the end of 2030. Through FY22 they have had success advocating with investee companies and, as at 30 June 2022, 60% of Trillium's investments in larger cap equity strategies had committed to setting a setting science-based target. This is up from 15% on 31 December 2019, which is the baseline for the target. The Trillium Shareholder Advocacy team have been encouraging companies to set science-based targets for some time. In FY22, a shareholder proposal was lodged by Trillium calling for SBA Communications, a real estate investment trust that owns and operates wireless infrastructure, to adopt a goal aligned with a 1.5-degree scenario. Following the company's commitment to submit GHG reduction targets to the Science Based Targets Initiative, this resolution was withdrawn. Similar results were reached with food manufacturing company, Darling Ingredients, retail chain, BJ's Wholesale Club and cooking and industrial process equipment manufacturer, Middleby. All three companies committed to setting science based GHG reduction targets verified by the Science Based Targets Initiative. For smaller companies, engagements often begin with first steps such as disclosures. At BJ's Restaurants, Trillium withdrew their shareholder proposal after the company agreed to disclose food waste reduction efforts, and measure and disclose their GHG emissions.

Shareholder voting

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

Exercise voting rights as a shareholder on climate-related issues

Yes

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder	Percentage of voting disclosed across portfolio*	Climate-related issues supported in shareholder resolutions*	Do you publicly disclose the rationale behind your voting on climate-related issues?*
Exercise voting rights directly		● Climate transition plans ● Climate-related disclosures ● Emissions reduction targets ● Board oversight of climate-related issues	Yes, for some

Public policy engagement

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate	Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?	Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate	No, and we do not plan to have one in the next two years	Perpetual engages through its membership of Investor Group on Climate Change (IGCC) to understand the priorities and activities of that organisation and how that may influence policy, law, or regulation in relation to climate change.

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization	State the organization to which you provided funding	Funding figure your organization provided to this organization in the reporting year	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate	Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Non-Governmental Organization (NGO) or	Investor Group on Climate Change	23339.80	Perpetual has held a relationship with the IGCC for multiple years and utilises this investor group for, understanding best practice for climate action investment, collaboration with peers and to be aware of changing government policy.	No, we have not evaluated

charitable organization			IGCC represents investors with total funds under management of more than $20 trillion around the world. IGCC members cover over 7.5 million people in Australia and New Zealand. IGCC aims to encourage government policies and investment practices that address the risks and opportunities of climate change, for the ultimate benefit of superannuants and unit holders.	

Communications

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication	Status	Attach the document	Page/Section reference	Content elements	Comment
In voluntary sustainability report	Complete	fy21_perpetual_sustainability_report.ashx	Page 26	Emissions figures	Information about how Perpetual approaches climate change including emissions data.

Industry collaboration

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment*
CDP Signatory Principles for Responsible Investment (PRI) Net Zero Asset Managers initiative Other, Investor Group on Climate Change (IGCC) Other, Ceres	Perpetual Limited discloses through the Carbon Disclosure Project (CDP) and is a member of the Investor Group on Climate Change (IGCC). Four investment boutiques, Trillium, Barrow Hanley, PAMA and PP are signatories to the PRI. Trillium is a signatory to the Net Zero Asset Managers initiative (NZAM) and to Ceres.

C14 Portfolio Impact

Portfolio value

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Portfolio activity	Are you able to report a value for the carbon-related assets?	Primary reason for not providing a value for the financing and/or insurance to carbon-related assets	Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
Investing in all carbon-related assets (Asset manager)*	No, but we plan to assess our portfolio’s exposure in the next two years	Other, Lack of group-wide data for carbon-related assets.	We do not currently have comparable group-wide data for carbon-related assets. However, we intend to measure and disclose carbon risk and emissions indicators associated with key large cap equity portfolios.

Portfolio Impact

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

Portfolio	We conduct analysis on our portfolio's impact on the climate.	Disclosure metric
Investing (Asset manager)	Yes	Other carbon footprinting and/or exposure metrics (as defined by TCFD)

(C-FS14.1b) Provide details of the other carbon footprinting and/or exposure metrics used to track the impact of your portfolio on the climate.

Portfolio	Portfolio metric	Metric value in the reporting year	Portfolio coverage	Percentage calculated using data obtained from clients/investees	Calculation methodology
Investing (asset manager)*	Weighted average carbon intensity (tCO2e/Million revenue)	38.7	0.86%	0%	Third party data methodology and services

Portfolio Impact breakdown

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact*
None of the above, but we plan to do this in the next 2 years	We do not currently have asset classes level emissions data across our Group. However, we intend to measure and disclose carbon risk and emissions indicators associated with key large cap equity portfolios.

Portfolio alignment

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

Portfolio	Actions taken to align our portfolio with a 1.5°C world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world*
Investing (Asset manager)*	No, but we plan to in the next two years	Perpetual is currently developing a group-wide Sustainability Strategy which will cover climate change action. As a diversified multi-boutique and global business, each of our asset managers have their own investment philosophies and approaches to managing climate risk and opportunities for our clients. Our investment teams exercise independence in determining their investment strategies. Trillium became a signatory to the Net Zero Asset Managers Initiative in April 2021, Trillium was among the first group of signatories globally to publish their 2030 interim net zero target in November 2021.Their interim target is for 75% of the holdings of Trillium-advised larger cap-equity strategies to commit to set science-based targets for reducing their GHG emissions, as approved by the Science Based Targets Initiative, by the end of 2030. Through the year they have had success advocating with investee companies and, as at 30 June 2022, 60% of Trillium’s investments in larger cap equity strategies had committed to setting a setting science-based target. This is up from 15% on 31 December 2019, which is the baseline for the target.

C15 Biodiversity

Biodiversity

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related matters within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues		
No, and we do not plan to have both within the next two years		

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity		
No, and we do not plan to do so within the next 2 years		

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

Does your organization assess the impact of its value chain on biodiversity?	
No, and we do not plan to assess biodiversity related impacts within the next two years	

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments*
No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
No	

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements*	Attach the document and indicate where in the document the relevant biodiversity information is located*
No publications		

C15 Signoff

Signoff

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Job title	Corresponding job category
Chief Financial Officer (CFO)	Chief Financial Officer (CFO)