



LEA 02	Disclosures: Mandatory	Reason for interaction
<p>By providing investors the most up-to-date and comprehensive information on the company's environmental, social and governance (ESG) performance, we enable them to make informed investment decisions. We also ensure that our investors are aware of any potential risks to the company's long-term value.</p>	<p>Individual/ internal staff engagements</p>	<p>✓ To support investment decision-making in &amp; company's interests  <input type="checkbox"/> To influence corporate transition for climate  <input type="checkbox"/> To encourage improved ESG disclosure  <input type="checkbox"/> Other: specify</p>
	<p>Collaborative engagements</p>	<p><input type="checkbox"/> To support investment decision-making in &amp; company's interests  <input type="checkbox"/> To influence corporate transition for climate  <input type="checkbox"/> To encourage improved ESG disclosure  <input type="checkbox"/> Other: specify</p>
	<p>Service provider engagements</p>	<p><input type="checkbox"/> To support investment decision-making in &amp; company's interests  <input type="checkbox"/> To influence corporate transition for climate  <input type="checkbox"/> To encourage improved ESG disclosure  <input type="checkbox"/> Other: specify</p>

# RI TRANSPARENCY REPORT

## 2013/14

Hastings Funds Management Limited

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

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# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Private							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Private							✓
INF 02	Breakdown of assets by management	✓	Private							✓
INF 03	Largest infrastructure	✓	Private							✓
INF 04	Description of approach to RI	✓	Private	✓					✓	
INF 05	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
INF 07	Formal commitments to RI	✓	Private				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
INF 12	ESG issues impact in selection process	✓	Private	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	🔒	n/a				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Private		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Private		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Private	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
INF 23	Approach to disclosing ESG incidents	✓	Private						✓	

# Hastings Funds Management Limited

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory only services

Hastings specialises in the infrastructure investment sector and is focused on both equity and debt investing. Hastings is an active investor in core infrastructure assets across a number of sectors including airports, tollroads, seaports, gas and electricity transmission and distribution, electricity generation and water utilities. Hastings has over 19 years' experience in managing investments in infrastructure assets. Hastings established one of the first dedicated infrastructure equity funds (Utilities Trust of Australia) in 1994 and one of the first infrastructure focused debt funds (Hastings Yield Fund) in 1999. Since its establishment in 1994, Hastings has experienced steady growth and currently manages approximately A\$7.3 billion (at 30 June 2013, including invested capital at market valuation plus committed but not invested capital) across eight infrastructure-focused investment funds, one non-infrastructure-focused fund and separate account mandates for individual clients. Hastings currently manages 17 portfolio companies with 30 underlying assets.

Hastings specialises in investing in private market opportunities that require dedicated investment sourcing, execution and asset management skills. Working within a clearly defined portfolio construction framework, Hastings aims to produce risk adjusted returns over time via a team of experienced equity professionals applying a disciplined investment process. We also aim to generate investor value by taking a disciplined approach to initial investment using what it believes to be a conservative and long-term approach to investing.

Hastings is a subsidiary of Westpac, one of Australia's largest banks, with a group AA- rating. Westpac acquired 51% of Hastings in October 2002 and the remaining 49% in November 2005. As of 30 June 2013, Westpac's equity interest has been diluted by approximately 15.3% pursuant to Hastings' Long Term Incentive Plan.

Westpac is Australia's first bank, having been established in 1817. It has grown to be one of Australia's leading financial services organisations with approximately 36,000 employees worldwide. Westpac provides a broad range of banking and financial services, including retail, business and institutional banking, and has offices in key financial centres around the world including London, New York, Hong Kong and Singapore. Over the past 10 years it has delivered consistent growth. As at 30 September 2013, Westpac's market capitalisation was A\$101.8 billion and it had total assets of A\$697 billion.

Hastings operates autonomously from Westpac and has an independent governance structure. Hastings' employees are dedicated employees who are remunerated in accordance with, and are responsible for, Hastings' financial performance. However, Hastings benefits from its relationship with Westpac by incorporating Westpac's disciplined operating and risk management policies.

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Australia

**OO 02.2** Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

92

**OO 03** **Mandatory** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 04** **Mandatory** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

30/06/2013

**OO 04.2** Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		7	262	400	000
Currency	AUD				
Assets in USD		6	560	117	619

**OO 04.3** Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06** **Mandatory** **Descriptive** **General**

**OO 06.1** To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)

Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	10-50%	0
Private debt	0	0
Private equity	0	0
Property	0	0
Infrastructure	>50%	0
Commodities	0	0
Hedge funds	0	0
Forestry	<10%	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

## Gateway asset class implementation indicators

OO 11

Mandatory

Gateway

General

OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Fixed Income – other
- Infrastructure
- Forestry
- None of the above

**OO 11.3** Additional information. [Optional]

Hastings considers ESG opportunities and risks during investment due diligence and seeks to manage ESG factors at every stage of the investment process. Additionally, ESG issues are a focus for the life of an asset or the duration of ownership through ongoing active asset management.

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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**OO 12.1**

The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

**Core modules**

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

	Direct - Other asset classes with dedicated modules
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- Infrastructure

**Closing module**

- Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# Hastings Funds Management Limited

## Reported Information

## Public version

## Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- Yes  
 No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes  
 No

**OA 01.3** Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

Hastings manages investments in both the debt and equity of infrastructure assets, with a preference for underlying assets that generate stable cash flows over the long term. In line with Hastings' investment philosophy to deliver reliable, consistent and repeatable investment returns, ESG factors are viewed as relevant to the performance of infrastructure assets as they present risks and opportunities that need to be appropriately identified, priced and managed.

Hastings recognises that ESG factors have the ability to affect, both positively and negatively, the performance of investments and particularly equity investments in infrastructure assets given their long term nature. Hastings therefore works to identify and manage, on an asset-by-asset basis, relevant ESG factors which may have the potential to materially impact its clients' returns. Throughout its investment process Hastings has integrated the consideration of ESG factors, including the concept of sustainability, to ensure its decision making occurs in a balanced manner that enhances creation of long term value for investors.

Hastings' ESG Policy aims to explicitly draw out and identify the key activities and investment principles that Hastings has been implementing for many years through its existing rigorous asset management and investment decision making processes, which are the foundation for Hastings' reputation and strong performance track record. In this way ESG attention is applied both to existing portfolio assets as well as during the due diligence process for new acquisitions.

OA 02	Mandatory	Core Assessed	PRI 6
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**OA 02.1** | Indicate if your responsible investment policy is publicly available.

- Yes
- No

**OA 02.3** | Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- Yes
- No

**OA 03** | **Mandatory** | **Core Assessed** | **PRI 1,2**

**OA 03.1** | Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**OA 04** | **Mandatory** | **Core Assessed** | **General**

**OA 04.1** | Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

- Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Hastings has a conflicts of interest policy (Conflicts Policy) that applies to all entities, directors, employees and contractors of Hastings. The Conflicts Policy is intended to ensure that any actual or potential conflicts are identified and managed appropriately, including by establishing protocols for avoiding or reducing conflicts of interest that may arise:

- Within the Hastings group;
- Between Hastings and funds and investors; and
- Between Hastings' employees and the Hastings business operations.

Protocols generally include the establishment of information barriers and disclosure procedures concerning the actual or potential conflict of interest.

No

## Objectives and strategies

OA 05

Mandatory

Gateway/Core Assessed

General

OA 05.1

Indicate if your organisation sets objectives for its responsible investment activities.

Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed

No

## Governance and human resources

OA 08

Mandatory

Gateway/Core Assessed

General

**OA 08.1** Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

**Roles present in your organisation**

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
  - Head of Global Asset Management**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Other role, specify
- Other role, specify

**OA 08.2** Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

2

**Promoting responsible investment**

OA 10	Mandatory	Core Assessed	PRI 4,5
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**OA 10.1** Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

Yes

**OA 10.2** Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Hastings has been a signatory to the United Nations Principles for Responsible Investment (UN PRI) since 2010. The UN PRI set of principles provides an overarching framework for Hastings' approach to responsible investment.

- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

No

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

With increased prominence of ESG factors in the infrastructure sector, Hastings continues to participate in industry think tanks and round table discussions examining how ESG issues can be effectively managed and considered from an investment decision and valuation point of view.

During 2013/2014, Hastings entered into a partnership with the Pensions and Capital Stewardship Project at Harvard University in order to enrich the research critical for long term infrastructure investing. Hastings recognises the pressing need for independent quality research on infrastructure investing as infrastructure is critical to our economy, our community and the pursuit of a sustainable environment.

As an active asset manager, Hastings continues to promote the acceptance and implementation of responsible investment via its interaction with portfolio assets, the consideration of ESG issues by its asset management teams, the incorporation of ESG factors in its investment decision making and valuation activities and its reports on its assets to the funds it manages and the underlying investors in those funds.

Many of the assets in which Hastings invests are partially or fully regulated. Therefore, Hastings further supports consideration of ESG issues in the wider investment community by periodically engaging in governance policy discussions and regulatory debates and promoting to our clients how, through this lobbying and the consideration of ESG factors, Hastings is able to protect and maximise investor value.

Lastly, Hastings considers the ESG competencies of external service providers during their selection and typically ensures that the scope of engagement for such providers includes consideration of relevant ESG issues.

# Hastings Funds Management Limited

## Reported Information

### Public version

#### Direct - Infrastructure

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## Overview

INF 05	Mandatory	Core Assessed	PRI 1-6
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**INF 05.1** Indicate if your organisation has a responsible investment policy for infrastructure.

- Yes
- No

**INF 05.3** Additional information. [Optional]

We recognise that ESG and sustainability factors are important to the selection and performance of infrastructure investments as they present risks and opportunities that need to be appropriately identified and managed. ESG factors are therefore carefully considered alongside other matters as part of Hastings' overall assessment of an asset's Revenue Risk Profile. Hastings has therefore adopted an ESG and sustainability policy for all its investments, not just for infrastructure.

## Fundraising of infrastructure funds

INF 06	Mandatory	Core Assessed	PRI 1,4,6
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**INF 06.1** Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- Yes

**INF 06.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in pre-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in post-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases

<b>INF 06.3</b>	Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar). [Optional]
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Hastings refers to responsible investment in applicable fund placement documents by first recognising that ESG and sustainability factors are important to the selection and performance of infrastructure investments. We also note that ESG factors are carefully considered alongside other matters as part of Hastings' overall assessment of an asset's Revenue Risk Profile. Further, we outline how ESG is considered as part of our investment due diligence process as well as in ongoing asset management. Finally, Hastings' provides examples of how ESG impacts asset valuation and active management.

No

### Pre-investment (selection)

<b>INF 08</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>INF 08.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.
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Yes

<b>INF 08.2</b>	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]
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We recognise that ESG and sustainability factors are important to the selection and performance of infrastructure investments as they present risks and opportunities that need to be appropriately identified and managed. ESG factors are important in infrastructure investments as they can affect their performance both positively and negatively. ESG factors are therefore carefully considered alongside other matters as part of Hastings' overall assessment of an asset's Revenue Risk Profile.

No

<b>INF 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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<b>INF 10.1</b>	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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**ESG issues**

Environmental

List up to three typical examples of environmental issues
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Climate change exposure.

Understanding extent of any potential contamination at asset sites.

Energy usage and potential efficiencies.

Social

List up to three typical examples of social issues

Community and stakeholder engagement.

Employee benefits, recruitment and training.

Staff retention and succession planning.

Governance

List up to three typical examples of governance issues

Audit requirements and costs.

Board diversity, independence and skills.

Management structure and CEO strength.

## Post-investment (monitoring and active ownership)

### Overview

INF 14

Mandatory

Gateway

PRI 2

INF 14.1

Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.

Yes

INF 14.2

Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.

- We consider ESG issues in the monitoring and operation of infrastructure
- We consider ESG issues in infrastructure maintenance
- We consider ESG issues in stakeholder engagements related to our infrastructure
- We consider ESG issues in other post-investment activities, specify

Hastings monitors and manages ESG factors for the duration of asset ownership and uses its governance rights to actively engage with investee companies.

INF 14.3

Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]

Hastings' consideration of ESG issues post-investment regularly occurs through our active asset management processes. Hastings also seeks to obtain significant influence and board representation at each of its assets in order to encourage ESG awareness and good practices.

No

## Infrastructure monitoring and operations

INF 15	Mandatory	Core Assessed	PRI 2
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INF 15.1	Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.
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- >90% of infrastructure assets
- 51-90% of infrastructure assets
- 10-50% of infrastructure assets
- <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 15.2	Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
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- Environmental
- Social
- Governance
- We do not set and/or monitor against targets

INF 15.3	Additional information. [Optional]
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Hastings' equity investee assets are complex organisations, each with different environmental, social or corporate governance initiatives and targets which are managed by the individual assets' boards and management teams. For instance it is very common that our investee assets closely monitor environmental emissions, spills, safety statistics, community engagement levels and a range of licence, regulatory, audit and other governance related measures. Because our assets operate within varied industries, regulatory frameworks and are at different levels of maturity, we do not in this UN PRI survey, try to outline the specific ESG KPIs or targets.

ESG targets, monitoring and continuous improvement is therefore managed by investee asset management teams under board oversight and direct Hastings engagement.

INF 16	Mandatory	Additional Assessed	PRI 2
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INF 16.1	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
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- Yes

**INF  
16.2**

Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).

- >90% of infrastructure investees
- 51-90% of infrastructure investees
- 10-50% of infrastructure investees
- <10% of infrastructure investees
- 0% of infrastructure investees

(in terms of number of infrastructure investees)

**INF  
16.3**

Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]

Through Hastings' investment activities and asset management of a variety of infrastructure assets, across different sectors and markets, Hastings has considerable knowledge of current ESG practices and the identification, monitoring and mitigation of potential ESG risks, including the capture of potential ESG opportunities. While each of our investee assets typically has its own team and ESG capabilities, Hastings is able to contribute to the effective management of ESG issues via its management engagement and / or board representation, specifically through knowledge sharing, promotion of best practice policies and procedures, as well as benchmarking information particularly in relation to environmental and safety performance. Hastings also takes a very active role in ensuring strong corporate governance practices through its initial investment selection processes as well as its on-going asset management activities.

No

## Infrastructure maintenance

**INF 18**

**Mandatory**

**Core Assessed**

**PRI 2**

**INF 18.1**

Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.

- >90% of active maintenance projects
- 51-90% of active maintenance projects
- 10-50% of active maintenance projects
- <10% of active maintenance projects
- N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

<b>INF 18.2</b>	Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]
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Hastings applies a consistent risk management framework and investment selection process to all infrastructure investments. This is designed to identify the relevant factors appropriate for any specific project.

## Communication

<b>INF 22</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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<b>INF 22.1</b>	Indicate if your organisation proactively discloses ESG information on your infrastructure investments.
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- Disclose publicly
- Disclose to clients/beneficiaries only

<b>INF 22.3</b>	Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.
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- ESG information on how you select infrastructure investments
- ESG information on how you monitor and manage infrastructure investments
- Information on your infrastructure investments' ESG performance
- Other;specify

<b>INF 22.4</b>	Indicate your organisation's typical frequency of disclosing ESG information to the your clients/beneficiaries.
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- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc; specify

Hastings' investors have varying ESG disclosure requirements.

<b>INF 22.5</b>	Describe the ESG information and how your organisation proactively discloses it to your clients/beneficiaries. [Optional]
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ESG information is regularly monitored over time and formally reviewed and publicly disclosed as part of Hastings' participation in the UN PRI's annual signatory reporting process. Additionally, Hastings' clients have varying ESG disclosure requirements to which we respond as appropriate.

- No proactive disclosure to the public or to clients/beneficiaries