



Principles  
for Responsible  
Investment

An investor initiative in partnership with UNEP Finance Initiative and the UN Global Compact

## PRI Reporting and Assessment survey 2011 Executive Summary

Your organisation:

**ATI Asset Management Pty Ltd**

## Governance, policy and strategy (Q 11)

ATI believes that adherence to, and development of the PRI Principles requires acceptance and validation from within our organisation as the starting point. Over the past 12 months we have worked hard to foster an internal belief and acceptance of the value of ESG analysis and the justification for the adoption of the PRI Principles.

ATI, over the past 12 months, has further incorporated ESG factors into our investment process, we have changed internal policy to now directly link some of the remuneration of staff to ESG analysis and system development, and we have been proactive in educating and updating our non-executive Directors to make them more ESG and PRI aware.

We believe this has led to a cultural change with ATI with much better acceptance and embracement of ESG and in particular the PRI Principles.

ATI does have formal ratified policies on governance, engagement, and strategies relating to ESG issues that require all members of the organisation including ATI Board members to be "ESG aware". ATI has a broad ESG philosophy that is made publically available.

ATI's view is that ESG factors may impact the value of a company - both positively and negatively. We believe that understanding the ESG factors will assist analysts in understanding the some of the earnings drivers of a company or assist in determining the transparency of future earnings forecasts.

ATI's view is that valuations are only as good as the reliability of the earnings forecasts underlying them, and any research that can assist in identifying potential issues in our earnings forecasts need to be considered.

ATI's holistic view is that poor ESG adherence has become a leading indicator of potential issues in the transparency of a company's future earnings forecasts. On the other hand, good ESG reporting, clear articulation of ESG policy and strong corporate governance can lead to a company trading at a premium to peers.

ATI as an evolving and contemporary investment manager has been improving its capacity to better understand ESG factors and enhance their integration into its investment process. This has involved significant resource allocation dedicated to improving ESG knowledge, active engagement with companies and other market participants and further development of our own internal ESG processes.

Consideration is given to analysing the sustainable business practices and the financial impact of a company's environmental and societal risks; quantifying the impact of structural changes (for example the proposed carbon pricing model, the Mineral Resources Rent Tax and the National Broadband Network in Australia) and benchmarking best practice corporate governance in the universe of stocks that we analyse. We have further improved our ESG process over the past 12 months by building in modules on carbon pricing and the MRRT.

As a signatory to the PRI there is a responsibility on all ATI's staff, executives and non-executives to understand the six principals and how ATI has actively adopted them into its investment decision making process and culture.

There is an understanding that ESG is an ever evolving process and staff, executives and non-executives of ATI are encouraged the assist in the progression and development of ESG processes and policies. To these end quarterly reviews of internal ESG policies are conducted with the ATI staff to determine if the internal processes can be improved or need to be changed to consider different issues. Updates are provided to the ATI Board are provided on a quarterly basis.

ATI staff are now incentivised to be pro-active in relation to ESG issues as 5% of a staff member's short term incentive (STI) is related to their contribution in relation to the quality of ESG analysis and research as well as ESG system development.

In terms of our proxy voting policy, ATI believes it should support boards by positive use of its voting power unless there are good reasons for doing otherwise. One of the key considerations the investment team review is the investees company's adherence and disclosure of ESG issues.

ATI is proactive in its collaboration with stakeholders (Ascalon, a subsidiary of Westpac) and key clients including Zurich Financial Services Australia Ltd (another PRI signatory) on ESG and PRI issues.

## Principle 1 - We will incorporate ESG issues into investment analysis and decision-making processes (Q 19)

Over the past three years, ATI has successfully integrated into its investment process, an ESG module within its proprietary qualitative assessment score (QAS). This module provides considerations that all analysts must take into account when conducting research and analysis on any company being considered for prospective grade status and hence being available for inclusion in the ATI portfolio.

ATI's public investment policy statements (such as IFSA and PDS's and Manager Profiles) articulate the focus on ESG within the ATI investment process via the QAS.

The ESG module has evolved and been positively adopted by the ATI analysts such that it is now an integral part of the ATI research effort. The module assists in providing insight, and identifying issues and areas that require consideration.

ATI's view is that ESG factors may impact the value of a company - both positively and negatively. We believe that understanding the ESG factors will assist analysts in understanding the some of the earnings drivers of a company or assist in determining the transparency of future earnings forecasts.

ATI's view is that valuations are only as good as the reliability of the earnings forecasts underlying them, and any research that can assist in identifying potential issues in our earnings forecasts need to be considered.

ATI's holistic view is that poor ESG adherence has become a leading indicator of potential issues in the transparency of a company's future earnings forecasts. On the other hand, good ESG reporting, clear articulation of ESG policy and strong corporate governance can lead to a company trading at a premium to peers.

#### The ATI Investment Framework

The ATI investment process utilises relative value in the selection of the most attractive ranked stocks combined with an analytical portfolio overlay to ensure adequate diversification and risk control. ATI's proprietary Equity Ranking System (ERS) produces an ordinal ranking of a universe of investment grade stocks available for portfolio inclusion.

ATI utilises a four stage investment process that provides the framework for portfolio construction to be consistent with its investment philosophy. A theoretical target price, taking into account capital and income components, is generated for each stock in the investment grade universe by capitalising the 3-year time weighted EPS by a through the cycle capitalisation multiple known as a relative market Rating (RMR). The target price is then compared against the current share price to produce an internal rate of return (IRR).

Stage 1: ATI's stock universe initially comprises those companies in the S&P/ASX 300 index. These stocks are filtered by four quantitative factors (covering liquidity, market capitalisation and earnings profile) to arrive at a prospective grade universe (approximately 200 stocks).

Stage 2: Weighted 3-year earnings forecasts of all stocks in this prospective universe are produced by ATI analysts utilising a combination of internal, fundamental, bottom up stock analysis, in conjunction with market and broker information, allowing analysts to recommend to the Research Committee their best estimate of future earnings forecasts for a company. Analysts' also recommend an appropriate though the cycle rating (RMR) to be applied to these earnings forecasts. The Research Committee then ratifies the earnings forecasts and the RMR.

Stage 3: A 70 factor qualitative assessment score (known as the QAS) is used as a negative screen to identify stocks that have too high a risk profile to be considered investment grade. ATI currently has an investment grade universe of approximately investment grade 170 stocks.

Stage 4: From this investment grade universe, ATI construct a portfolio of between 25-40 stocks. The portfolio construction process aims to select the most attractive investment grade opportunities, subject to a risk overlay that includes pre-set constraints at the stock and sector level.

ESG issues are identified, researched and quantified within the process at Stage 3, where analysts conduct in-depth assessments of a prospective stock's financial history, balance sheet strength, future earnings prospects, historical and implied relative market return (RMR), management ability and key valuation drivers.

Analysts are responsible for determining a qualitative assessment score (QAS) for each prospective grade stock. ATI utilises its proprietary QAS framework to assist analysts in determining some of the key drivers impacting a stocks valuation and the integrity of the earnings being used in the ERS.

The QAS involves an extensive qualitative analytical review that takes into account:

- o Key industry drivers (Porter analysis);
- o Key performance statistics obtained from financial data (ratio analysis);
- o Balance sheet strength, gearing levels and interest cover capacity (debt analysis);
- o Management ability and industry track record/experience (management analysis);
- o ESG Analysis (eg MRRT, carbon pricing implications are new modules developed over the past 12 months)
- o Current valuation in absolute and relative measures (valuation analysis); and
- o Key current issues (corporate analysis).

The QAS analysis is utilised in conjunction with company fundamental analysis enabling ATI analysts to identify the key issues that are relevant to the specific stock and assist them to determine whether or not a 'prospective grade' stock is 'investment grade' and available for inclusion in ATI portfolios.

The overall review assists in screening out certain stocks that have a less attractive profile relative to other stocks in the same GICS sector and other stocks in the investment grade universe. The QAS enables stocks to be compared relative to the rest of

the universe of stocks and also the specific GICS sector that the company is in. It assists in determining the relative attractiveness of the company in a disciplined manner.

ATI has initially addressed the issues by specifically including in its Qualitative Assessment Score (QAS) a specific ESG section that requires analysts to identify, review, research and quantify specific ESG issues for each company in the prospective grade universe to ascertain:

- o Does the company provide adequate Environmental disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Does the company provide adequate Social governance disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Does the company provide adequate Corporate disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Are cash flows within the ATI forecast period impacted (or potentially) by legislation directly related to ESG issues? (eg carbon pricing and Mineral Resources Rent Tax) (Fundamental factor, 1-2 QAS points).

The other fundamental and quality factors that have ESG relevance are:

Qualitative Factors:

- o Review mix of non-executive, executive and independent Directors. Are there potential corporate governance issues or lack of independence? Has there been turnover in at the Board or management level that is of concern? (1-2 QAS points).
- o Review remuneration of Board and Key management. Review the key benchmarks and performance factors (is there alignment with stakeholders / are there any ESG factors incorporated into this?). (1-2 QAS points).  
[The analyst is to make an assessment of the overall quality of Board members relative to peers].
- o Review the control that major stakeholders (>20% of issued capital) have in the company. Are these stakeholders currently experiencing financial distress and what control (Board or related party) if any do they have? (1-2 QAS points).
- o Review quality of guidance (if any) provided by management as well as historical track record at delivery (over/under deliver). Are there significant abnormalities or rebasing of divisional earnings at the last reported result? (1-2 QAS points).

Fundamental Factors:

- o Review whether the company has poor quality accountants or lawyers with the potential for a lack of independence. (1-2 QAS points).
- o Review whether the company has potentially breached debt covenants or may do so within the forecast period. Review bank syndicate arrangements. (1-2 QAS points).
- o Review property, inventory and investments that are on the balance sheet and subject to Directors valuations that may have the potential for write-down. Are there significant changes to accounting policy or lack of transparency in disclosure? (1-2 QAS points).
- o Review the accounting policies for companies with significant (>25%) dependence on associate companies. Review control mechanisms and potential for calls on capital by the associate. (1-2 QAS points).

All these factors in total represent ~15% of the overall QAS of any company that ATI would consider investing in. By doing this:

- o ATI's investment approach takes into account the fact that in certain sectors, industries and companies, ESG factors may have a material impact on a company's valuation.
- o Companies may be screened out of ATI's investable universe due to the ESG factors in the QAS.
- o Our analysts will continue to gain knowledge and understanding of ESG issues in the sectors that they cover.
- o If two companies in ATI's investable universe have the same fundamental valuation, the one with the better ESG policy is likely to be the preferred investment.

ATI also has been more proactive in its adherence to Principle 1 over the past 12 months by:

- o Requiring service providers to detail ESG competency and awareness in any proposals to ATI (more detail provided in Q58 relating to Principle 4).
- o ATI's investment staff are encouraged to attend external ESG related seminars, listen to PRI web casts, read relevant ESG articles and communicate our ESG policy to the broader investment community (more detail provided in Q58 relating to Principle 4).

o ATI's investment staff are encouraged to articulate and promote our ESG policy as a point of differentiation when marketing to external client and asset consultants (more detail provided in Q58 relating to Principle 4).

o In terms of brokerage allocation to investment banks, we generally allocate a larger proportion of brokerage to brokers who have better ESG specific research and analysis. We have directly "tagged" analysts for their work done on ESG issues (more detail provided in Q58 relating to Principle 4).

o We have engaged analysts at investment banks to assist with our ESG analysis via tagged brokerage (more detail provided in Q58 relating to Principle 4).

o Internally, ATI's Board of Directors are educated on the active move to further embrace ESG within the organisation and improve our adherence the six PRI principles (more detail provided in Q58 relating to Principle 4).

---

## Principle 2 - We will be active owners and incorporate ESG issues into our ownership policies and practices (Q 26)

ATI as an investor and shareholder in ASX listed businesses is conscious to ensure that businesses show greater sensitivity to environmental, social and corporate governance (ESG) issues.

Last year ATI took the view that this could only occur if there was a fundamental acceptance within the organisation of the value of ESG analysis, research and engagement.

Over the past few years, ATI has been able to evolve its culture to adopt and embrace the six PRI Principles.

One of the ways ATI has done this is by directly linking the remuneration of the staff to ESG issues. In 2010, the ATI Board ratified a policy that linked part of a staff member's short term incentive (STI) to the quality of their ESG analysis and company engagement.

As noted in relation to Principle 1, ATI has successfully integrated into its investment process, a specific ESG module within its qualitative assessment score (QAS). This ESG module has evolved and been positively adopted by the ATI analysts such that it is now an integral part of the ATI research effort. The module assists in providing insight, and identifying issues and areas that require consideration.

Since joining the PRI, ATI has been able to integrate into its culture, an acceptance and ownership of the value of reviewing and engaging with companies and other stake holders on ESG issues.

ATI view is that valuations are only as good as the reliability of the earnings forecasts underlying them, and any research that can assist in identifying potential issues in our earnings forecasts need to be considered. There has been an internal acceptance of the view that poor ESG adherence has become a leading indicator of potential issues in the transparency of a company's future earnings forecasts. Moreover, good ESG reporting, clear articulation of ESG policy and strong corporate governance can lead to a company trading at a premium to peers.

This view is also shared by the non-executive Directors of ATI, whom we have further educated on ESG relevance over the past 12 months. ESG updates are provided to the Board on a quarterly basis and the ATI ESG, voting and engagement policies which incorporate the PRI six principles, have been adopted and ratified at Board level.

### Voting Activities

ATI does have a formal policy on corporate voting. In summary, ATI reports on all votes cast and the result of the voting at each specific meeting that it has deemed relevant to vote. Clients will receive a formal written report on voting exercised on behalf of and in the interest of clients.

### Engagement Policy

ATI has a formal engagement policy that is used as part of the decision making process for corporate voting.

In essence, ATI's analysts will actively engage companies in relation to corporate governance (as well as environmental and social) issues that may influence its voting preference. This engagement will take the form of direct contact with the company via meeting and phone calls. When we are not able to do this, we will request in writing a response to specific queries and issues we wish to have addressed.

Generally, ATI believes it should support boards by positive use of its voting power unless there are good reasons for doing otherwise. When a board has received steady support over a period of time it should become a matter of concern for that board if that support is withdrawn.

ATI subscribes to the ISS (formerly RiskMetrics) proxy advisory and global analysis services to assist it in ensuring adherence to the voting policy. However, it is the ATI analyst that will make the final decision on any vote.

ATI is retained by Zurich Financial Services Australia Ltd (another PRI signatory) to manage its Australian Share Value Fund. ATI actively collaborates and engages with Zurich representatives on ESG and PRI issues. Active engagement and corporate voting on behalf of this fund are examples of our adherence to Principle 2 (as well as Principles 4 and 5).

ATI has been active its messaging to Board via its voting over the past 12 months. ATI analysts have rejected approximately 10% of Board and/or ISS recommendations due mainly to Corporate Governance concerns.

ATI does produce reports on voting and company engagement that are provided to key stakeholders and key clients.

### Principle 3 - We will seek appropriate disclosure on ESG issues by the entities in which we invest (Q 52)

ATI believe that active engagement with investee and potential investee companies on ESG issues will encourage these companies over time to provide more appropriate, more timelier, more standardised and improved disclosure.

ATI's internal policy encourages ATI staff when engaging with companies to:

- o Ask for standardised reporting on ESG issues (eg carbon emissions, MRRT impact)
- o Ask for ESG issues to be integrated within annual financial reports
- o Ask for information from companies regarding adoption of/adherence to relevant norms, standards, codes of conduct or international initiatives
- o Support shareholder initiatives and resolutions promoting ESG disclosure

To adhere to Principle 3, there needs to be cultural change both within ATI and also the companies whom which we engage with.

As noted in relation to Principle 1, ATI has successfully integrated into its investment process, a specific ESG module. This ESG module has evolved and been positively adopted by the ATI analysts such that it is now an integral part of the ATI research effort. The module assists in providing insight, and identifying issues and areas that require consideration. The engagement policy that requires analysts to seek clarification on ESG issues when engaging with companies.

ATI has been able to integrate into its culture, an acceptance and ownership of the value of reviewing and engaging with companies and other stake holders on ESG issues.

As part of the QAS analysis, the ATI analyst will not be able to complete a review on a company unless he or she has the answers to the ESG related questions. this questioning may occur on a one-on-one basis or be within the context of a public forum (eg results presentations or group broker meetings).

To reiterate some of these questions are:

- o Does the company provide adequate Environmental disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Does the company provide adequate Social governance disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Does the company provide adequate Corporate disclosure and reports (relative to peers)? (Qualitative factor, 1-2 QAS points).
- o Are cash flows within the ATI forecast period impacted (or potentially) by legislation directly related to ESG issues? (eg Carbon tax, MRRT) (Fundamental factor, 1-2 QAS points).

Qualitative Factors:

- o Review mix of non-executive, executive and independent Directors. Are there potential corporate governance issues or lack of independence? Has there been turnover in at the Board or management level that is of concern? (1-2 QAS points).
- o Review remuneration of Board and Key management. Review the key benchmarks and performance factors (is there alignment with stakeholders / are there any ESG factors incorporated into this?). (1-2 QAS points).  
[The analyst is to make an assessment of the overall quality of Board members relative to peers].
- o Review the control that major stakeholders (>20% of issued capital) have in the company. Are these stakeholders currently experiencing financial distress and what control (Board or related party) if any do they have? (1-2 QAS points).
- o Review quality of guidance (if any) provided by management as well as historical track record at delivery (over/under deliver). Are there significant abnormal or rebasing of divisional earnings at the last reported result? (1-2 QAS points).

Fundamental Factors:

- o Review whether the company has poor quality accountants or lawyers with the potential for a lack of independence. (1-2 QAS points).
- o Review whether the company has potentially breached debt covenants or may do so within the forecast period. Review bank syndicate arrangements. (1-2 QAS points).
- o Review property, inventory and investments that are on the balance sheet and subject to Directors valuations that may have the potential for write-down. Are there significant changes to accounting policy or lack of transparency in disclosure? (1-2 QAS points).
- o Review the accounting policies for companies with significant (>25%) dependence on associate companies. Review control mechanisms and potential for calls on capital by the associate. (1-2 QAS points).

We believe that this type of questioning will assist in improving the disclosure by investee or potential investee companies and perhaps lead to more standardised reporting.

## Principle 4 - We will promote acceptance and implementation of the Principles within the investment industry (Q 58)

ATI believes that adherence to Principle 4 requires in the first instance acceptance and validation from all executives, staff, and non-executive Directors within our organisation.

As noted, in previous responses, the incorporation of ESG into our investment process, the direct linking of staff remuneration to ESG issues and the education of non-executive Directors and associates has led to a cultural change within ATI. There has been an improved acceptance of ESG and the PRI Principles as valid and sustainable policies within the ATI business.

Following from this ATI has improved its adherence to Principle 4 over the past 12 months. We have taken on board some of the feedback provided by the PRI in our 2010 response.

Some examples of our active adherence and adoption of Principle 4 are:

- o ATI has communicated to the investment market and to the asset consultants its ESG policy and how we have integrated it into our investment process.

- o When we are in the process of engaging potential service providers we specifically require ESG competency and awareness as a requirement. For example, in the past 12 months we have required companies who have wished to provide administration and research services to us, to articulate their ESG competencies and policy. We have rejected the proposals of potential services providers who have not had any ESG awareness and explained this to them.

- o We have engaged with Australian Government representatives in relation to issues relating specifically to carbon pricing and the NBN (National Broadband Network). We have provided constructive feedback in an open forum and identified potential issues with both these proposed policies.

- o We have clearly articulated on our website, our membership and adoption of the PRI principles. We have included hyperlinks back to the PRI website and have explained the six principles.

- o We make public on our website our ESG policy as a separate and distinct link on our home page.

- o We make public on the PRI website our responses to the PRI survey.

- o We clearly articulate our ESG and PRI principle adherence in formal information on ATI that is provided to external parties (eg in our IFSA document and Manager Profiles).

- o ATI has made available to asset consultants the results of its internal ESG research.

- o We have evolved our process to take into account current contemporary issues. For example, we have recently conducted extensive in depth research and analysis on the impact of the proposed carbon tax on stocks within our investment grade universe and have incorporated this bolt on module into our process. We have communicated the result of this analysis to stakeholders, investee companies and other parties within the investment industry.

- o ATI analysts have been quoted in the press and have provided media commentary on ESG issues during 2010.

- o ATI is one of the boutique managers that is under the Westpac bank umbrella (via a 33% stake in ATI held by Ascalon Capital Managers, a fully owned Westpac subsidiary). There are seven other boutique managers that are in the Ascalon stable with two others (ArkX and Alleron) being PRI signatories. Westpac is well regarded for its sustainability policies and practices. ATI has been active in promoting to the other Ascalon investment managers and Westpac representatives the relevance and benefits of adoption of the PRI principles and membership with the organisation.

- o ATI's investment staff are encouraged to attend external ESG related seminars, listen to PRI web casts, read relevant ESG articles and communicate our ESG policy to the broader investment community.

- o ATI's investment staff are encouraged to articulate and promote our ESG policy as a point of differentiation when marketing to external client and asset consultants.

- o In terms of brokerage allocation to investment banks, we now have a policy allocate a larger proportion of brokerage to brokers who have better ESG specific research and analysis. We have directly "tagged" analysts for their work done on ESG issues.

- o We have engaged analysts at investment banks to assist with our ESG analysis via tagged brokerage.

- o Internally, ATI's Board of Directors are educated on the active move to further embrace ESG within the organisation and improve our adherence the six PRI principles.



## Principle 5 - We will work together to enhance our effectiveness in implementing the Principles (Q 65)

Similar to Principle 4, ATI believes that adherence to Principle 5 requires in the first instance acceptance and validation from all executives, staff and non-executive Directors within our organisation.

ATI has a competitive advantage in that its major stakeholder (Ascalon a Westpac subsidiary) and major client (Zurich Financial Service Australia) encourage adherence to the PRI Principles.

ATI is one of the boutique investment managers that is under the Westpac bank umbrella (via a 33% stake in ATI held by Ascalon Capital Managers, a fully owned Westpac subsidiary). There are seven other boutique managers that are in the Ascalon stable with two others (ArkX and Alleron) being PRI signatories. Westpac is well regarded for its sustainability policies and practices.

ATI has been active in its collaboration with other Ascalon investment managers and Westpac representatives in relation to ESG and PRI related issues. We have sought the council of some of these representatives on various company specific and broader industry issues (eg carbon pricing, Mineral Resources Rent Tax, and the National Broadband Network).

ATI is retained by Zurich Financial Services Australia Ltd (another PRI signatory) to manage its Australian Share Value Fund. ATI actively collaborates and engages with Zurich representatives on ESG and PRI issues. Active engagement and corporate voting on behalf of this fund are examples of our adherence to this policy.

We have also been active in promoting the relevance and benefits of adoption of the PRI principles and membership within these organisation.

We have attended industry conferences and meeting on ESG related issues and participated in the open forums. We have provided feedback in relation to various open forums available to industry participants (eg the East Coles open forum on Carbon Pricing). We encourage staff to improve their education of ESG issues by attending seminars, listening to webinars and reading relevant literature.

In addition, we work with our asset consultants in seeking their feedback on our policies and how we can improve and develop even better policies.

## Principle 6 - We will each report on our activities and progress towards implementing the Principles (Q 70)

Implementation of ATI's ESG and PRI policies has occurred and has been ratified by the ATI Board. We are committed to reporting to our clients and key stakeholders on a quarterly basis, on how our business is adapting and complying with the PRI Principles.

An important consideration in our responsible investment strategy has been the adoption by our strategic investment partner Zurich Financial Services Australia Ltd (Zurich) of the PRI. We update representatives in Zurich on developments within ATI relating to ESG. We also note that ATI is part of the Ascalon (subsidiary of Westpac) suite of boutique managers, who are also updated on ESG related issues.

We have internal papers and public documents that:

- o Disclose how ESG issues are integrated within our investment process;
- o Disclose our active ownership activities (voting and engagement policies);
- o Disclose what is required from service providers in relation to the Principles. Specifically we have a requirement for all our services providers to have some form of ESG awareness or competency;
- o Communicate with beneficiaries about ESG issues and the Principles. This is specifically done with our major client Zurich Financial Services Australia Ltd (a PRI signatory) and also in our interaction with the underlying retail clients in the schemes that we manage;
- o We seek to determine the impact of the Principles via analysis of attribution on stocks that have been excluded from our investable universe for ESG related issues and the actual impact of our voting policies.
- o Make use of reporting to raise awareness among a broader group of stakeholders. Again we note that both our major stakeholder (Ascalon, a Westpac subsidiary) and Zurich (a PRI signatory) are formally advised of our ESG policies and process integration.

There is an understanding that ESG is an ever evolving process and executives and non-executives of ATI are encouraged the assist in the progression and development of ESG processes and policies. To this end quarterly reviews of internal ESG policies are conducted with staff and updates to the ATI Board are also provided on a quarterly basis.

