

## Need ESG analysis on Australian companies?

Investment performance is increasingly subject to transformational environmental forces, social trends and governance imperatives. Institutional investors are responding with commitments to address Environmental, Social and Corporate Governance (ESG) factors – many via the UN Principles for Responsible Investment (UNPRI). As a consequence, demands on funds managers to address ESG factors are growing.

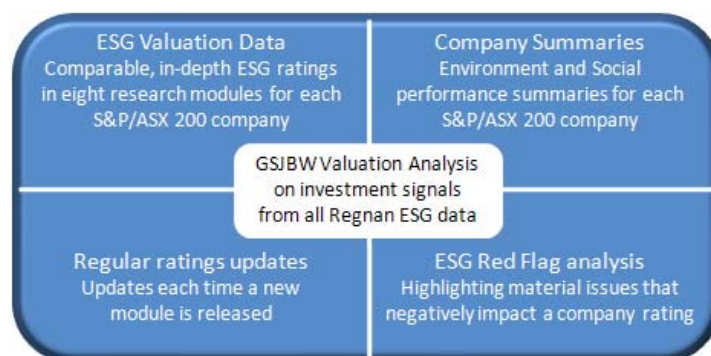
Regnan meets demand for ESG via comparable, investment-ready ESG Valuation Data and Analysis for managers of Australian equities funds.

## What is Regnan’s ESG Valuation Data and Analysis?

Designed for both quantitative and fundamental analysis, Regnan’s ValDA™ is investment-ready ESG data on S&P/ASX 200 companies. Convenient access via the Goldman Sachs JBWere PortfolioWise platform means ValDA™ is ready for integration with existing investment processes. ValDA™ allows investment managers to enhance their investment performance and meet commitments under the UNPRI.

## What does a ValDA subscription include?

ValDA is a subscription service of five elements:



### 1: ESG Valuation Data

S&P/ASX 200 companies are rated against material ESG parameters in each of eight performance modules. Covering the major areas of ESG risk and opportunity\*, the ESG parameters in each module are selected because they are capable of driving enterprise value. The performance modules will be released progressively over the twelve months to September 2008 and include:

- Workplace Health & Safety – Social (available now)
- Human Capital Management – Social (available now)
- Climate Change – Environment (available soon)
- Director Share Trading – Corporate Governance
- Quality of E and S Management – incorporating Eco-Efficiency - Environment & Social
- Internal Controls - incorporating Listed Trust Governance - Corporate Governance
- Short Term (remuneration) Incentives – Corporate Governance
- Business Ethics and Culture – Social

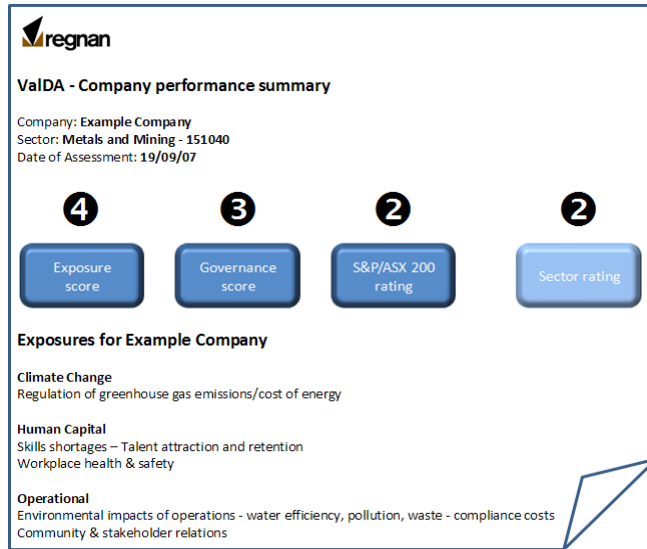
\* For subscribers wanting additional Corporate Governance research, Regnan’s ESG modules complement existing corporate governance metrics available from Goldman Sachs JBWere via the PortfolioWise platform.

## 2: Company Summaries

Environmental and Social (E&S) performance summaries are provided for each S&P/ASX 200 company. These incorporate numeric ratings and list key E & S exposures for each company and are presented in a simple one page format.

Company Summaries are:

- A snapshot of environmental and social performance
- Bottom-up analysis of the most material E & S factors for each company
- Fully comparable across and within sectors
- Available immediately over Goldman Sachs JBWere's PortfolioWise platform



## 3: ESG Red Flag analysis

Regnan's ESG Red Flags are more detailed analysis of material issues that negatively influence a company's ratings, (e.g. adverse court rulings or persistent, negative environmental impacts).

## 4: Regular Ratings Updates

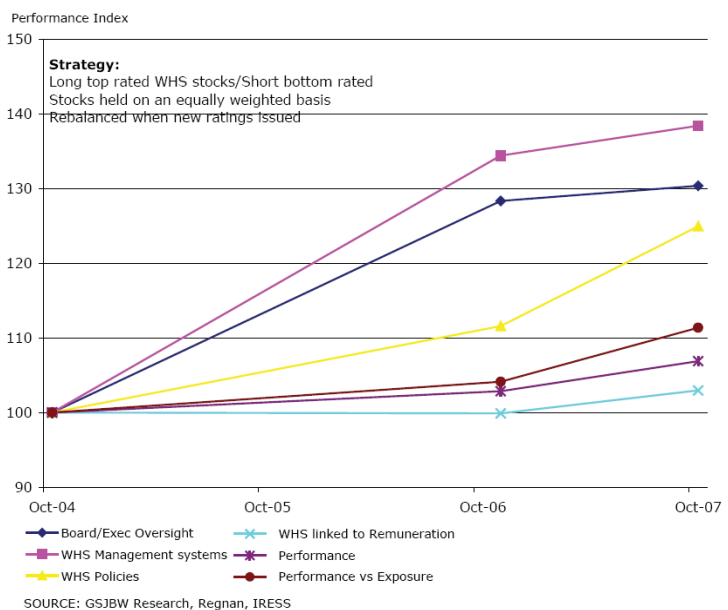
Companies are reviewed regularly for material changes to their E & S exposures, management measures or performance outcomes. Ratings and Red Flags are updated every time a new performance module is released. Corporate Governance modules are reviewed and updated at least annually.

## 5: Goldman Sachs JBWere ESG Valuation analysis

Subscribers to ValDA™ also receive Goldman Sachs JBWere analysis on the valuation implications of Regnan's ESG research.

Goldman Sachs JBWere systematically researches the investment implications of the parameters within each Regnan ESG module. This link to investment performance is examined for share price return, financial performance and other measures such as consensus earnings trends and earnings certainty.

Workplace Health & Safety Investment Strategies - Long/Short Average Return



## Research Methodology

Regnan’s research approach delivers consistent and reliable data across material ESG performance areas. Each module assesses: 1) the company’s material risk exposure; 2) management measures for mitigating these risks and/or pursuing upside; and 3) actual performance outcomes. This approach enables subscribers to quickly identify potential ESG exposures across their portfolios and assess company management and performance data relevant to these exposures.

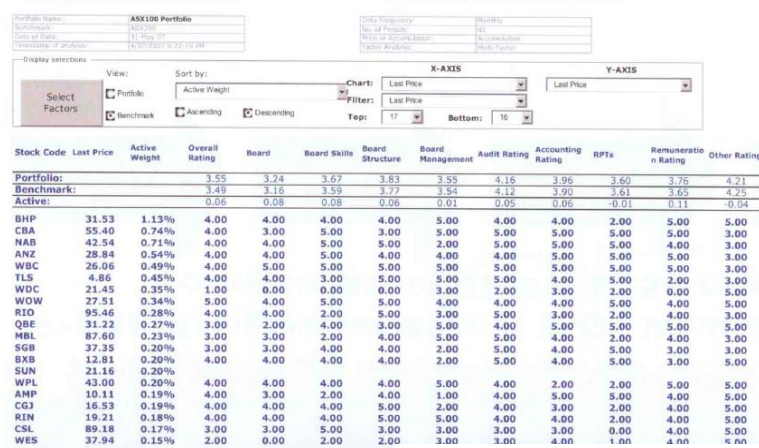


Research and analysis is carried out by Regnan and Monash Sustainability Enterprises (MSE) resources. MSE pioneered ESG analysis locally and brings a decade of experience to complement Regnan’s research resources.

## Convenient access to Regnan’s ValDA™

ValDA™ is accessed exclusively via the Goldman Sachs JBWere PortfolioWise platform. Subscribers receive all underlying data, together with weightings and aggregated capability scores, enabling:

- Identification of ESG factors for incorporation into investment analysis
- Scoring and screening of stocks for ESG factors
- Analysis of portfolio ESG exposure alongside traditional portfolio risk and style analysis
- Incorporation of existing portfolios or build new portfolios which deliver desired ESG exposure or performance



| Stock Code        | Last Price | Active Weight | Overall Rating | Board | Board Skills | Board Structure | Board Management | Audit Rating | Accounting Rating | RPTs  | Remuneration Rating | Other Rating |
|-------------------|------------|---------------|----------------|-------|--------------|-----------------|------------------|--------------|-------------------|-------|---------------------|--------------|
| <b>Portfolio:</b> |            |               | 3.55           | 3.24  | 3.67         | 3.83            | 3.55             | 4.16         | 3.96              | 3.60  | 3.76                | 4.21         |
| <b>Benchmark:</b> |            |               | 3.49           | 3.16  | 3.59         | 3.77            | 3.54             | 4.12         | 3.90              | 3.61  | 3.65                | 4.25         |
| <b>Active:</b>    |            |               | 0.06           | 0.08  | 0.08         | 0.06            | 0.01             | 0.05         | 0.06              | -0.01 | 0.11                | -0.04        |
| BHP               | 31.53      | 1.13%         | 4.00           | 4.00  | 4.00         | 4.00            | 5.00             | 4.00         | 4.00              | 2.00  | 5.00                | 5.00         |
| CBA               | 55.40      | 0.74%         | 4.00           | 3.00  | 5.00         | 3.00            | 5.00             | 5.00         | 5.00              | 5.00  | 5.00                | 3.00         |
| NAB               | 42.54      | 0.71%         | 4.00           | 4.00  | 5.00         | 5.00            | 2.00             | 5.00         | 5.00              | 5.00  | 4.00                | 3.00         |
| ANZ               | 28.84      | 0.54%         | 4.00           | 4.00  | 5.00         | 5.00            | 4.00             | 4.00         | 5.00              | 5.00  | 5.00                | 3.00         |
| WDC               | 26.06      | 0.49%         | 4.00           | 5.00  | 5.00         | 5.00            | 5.00             | 5.00         | 5.00              | 5.00  | 5.00                | 3.00         |
| TLS               | 4.86       | 0.45%         | 4.00           | 4.00  | 3.00         | 5.00            | 5.00             | 5.00         | 4.00              | 5.00  | 2.00                | 3.00         |
| WDC               | 21.45      | 0.35%         | 1.00           | 0.00  | 0.00         | 0.00            | 3.00             | 2.00         | 3.00              | 2.00  | 0.00                | 5.00         |
| WOW               | 27.51      | 0.34%         | 5.00           | 4.00  | 5.00         | 5.00            | 4.00             | 4.00         | 4.00              | 5.00  | 4.00                | 5.00         |
| RIO               | 95.46      | 0.28%         | 4.00           | 4.00  | 2.00         | 5.00            | 3.00             | 5.00         | 3.00              | 2.00  | 4.00                | 3.00         |
| QBE               | 31.22      | 0.27%         | 3.00           | 2.00  | 4.00         | 3.00            | 5.00             | 4.00         | 5.00              | 5.00  | 5.00                | 5.00         |
| MBL               | 87.60      | 0.23%         | 3.00           | 3.00  | 2.00         | 4.00            | 5.00             | 5.00         | 4.00              | 2.00  | 4.00                | 3.00         |
| SGR               | 37.35      | 0.20%         | 3.00           | 3.00  | 4.00         | 4.00            | 2.00             | 5.00         | 4.00              | 5.00  | 3.00                | 3.00         |
| BXS               | 12.81      | 0.20%         | 4.00           | 4.00  | 4.00         | 4.00            | 2.00             | 5.00         | 4.00              | 5.00  | 3.00                | 5.00         |
| SUN               | 21.16      | 0.20%         |                |       |              |                 |                  |              |                   |       |                     |              |
| WPL               | 43.00      | 0.20%         | 4.00           | 4.00  | 4.00         | 4.00            | 5.00             | 4.00         | 2.00              | 2.00  | 5.00                | 5.00         |
| ANP               | 10.11      | 0.19%         | 4.00           | 3.00  | 2.00         | 4.00            | 1.00             | 4.00         | 5.00              | 5.00  | 4.00                | 5.00         |
| CGJ               | 16.53      | 0.19%         | 4.00           | 4.00  | 4.00         | 5.00            | 2.00             | 4.00         | 3.00              | 2.00  | 4.00                | 5.00         |
| RIN               | 19.21      | 0.18%         | 4.00           | 4.00  | 4.00         | 5.00            | 5.00             | 4.00         | 4.00              | 2.00  | 4.00                | 5.00         |
| CSL               | 89.18      | 0.17%         | 3.00           | 3.00  | 5.00         | 3.00            | 3.00             | 3.00         | 3.00              | 0.00  | 4.00                | 5.00         |
| WES               | 37.94      | 0.15%         | 2.00           | 0.00  | 2.00         | 2.00            | 3.00             | 3.00         | 4.00              | 1.00  | 4.00                | 5.00         |

Source: GSJBW PortfolioWise

ValDA™ also enables subscribers to meet client and consultant demand by demonstrating how ESG factors are taken into account.

## Pricing and deliverables

ValDA™ is charged at a base rate plus a variable component linked to funds under management. The cost structure ensures ValDA™ is accessed for less than the cost of one F.T.E. analyst while enabling access to the scale provided by ten ESG professionals. Fees cover all five ValDA™ elements, implementation, set-up training and support from Regnan and Goldman Sachs JBWere.

## About Regnan

Regnan was formed in 2007 out of the proven engagement model and resources of BT Financial Group's Governance Advisory Service. Regnan is owned by eight major institutional investors: ARIA; BT Financial Group; Hermes (UK); HESTA Super; NSW Local Government Superannuation Scheme; Vanguard; VicSuper; and VFMC.

## Q&A

**How do I get ValDA™?** Use the order form below for a free trial of the Human Capital Management (HCM) module or use the contact details below to discuss full subscription packages.

**How long will it take to set up the service?** One week from the time you place the order with Regnan.

**How long before I get all the modules?** The eight ESG modules will be delivered to subscribers over twelve months from October '07 to September '08. Workplace Health & Safety and HCM are ready now.

**How often is the data updated?** E and S data and ratings are reviewed when each of the eight research modules is released. Red Flag analysis is updated at the same time – at least seven times over twelve months. Corporate Governance modules are reviewed and updated at least annually.

**How do I access the company summaries?** Company summaries will be available simply by clicking on company stock codes within Goldman Sachs JBWere's PortfolioWise platform.

## Further details and contact information

[Nathan Fabian / 02 9299 6995 / \[nathan.fabian@regnan.com\]\(mailto:nathan.fabian@regnan.com\)](#)

## To order a free trial

For a free thirty day trial of Regnan's Human Capital Management module, fill out the form below and fax to **Nathan Fabian** on **02 9299 6799**. Or email [nathan.fabian@regnan.com](mailto:nathan.fabian@regnan.com)

### Your details:

Company Name: .....

Contact Name: .....

Position in the organisation: .....

Phone number: .....

Email address: .....

### Disclaimer

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