

# Bell Global High Conviction Fund

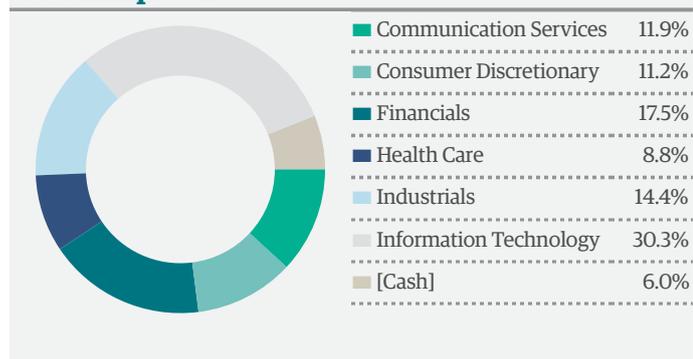
Hedged Class Fund Summary - Period Ending 28 February 2026

## Net Performance<sup>^</sup>

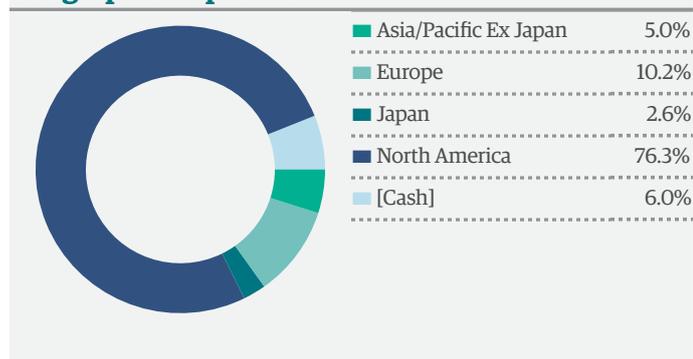
Returns in AUD	Fund	Index*
1 Month	-5.2%	0.9%
3 Months	-7.0%	3.2%
6 Months	-4.9%	9.7%
1 Year	--	--
3 Years (pa)	--	--
5 Years (pa)	--	--
10 Years (pa)	--	--
Inception (pa) <sup>^</sup>	-3.8%	14.2%

\* Index is the MSCI World Ex Australia Index (Hedged) in AUD. <sup>^</sup> The Bell Global High Conviction Fund (Fund) was established on 19 November 2021 under the name Bell Global Sustainable Fund and with a different investment strategy. The Fund has operated under its current name and strategy since 1 July 2025 (Strategy inception). The fund's historical performance is available on our website at [www.bellasset.com.au](http://www.bellasset.com.au). Past performance is not indicative of future performance.

## Sector Exposure



## Geographic Exposure



## Top 5 Holdings

Company	Sector	Geography	Weight
NVIDIA Corporation	Information Technology	US	6.6%
Microsoft Corporation	Information Technology	US	6.3%
Mastercard Incorporated	Financials	US	6.0%
Alphabet Inc.	Communication Services	US	5.5%
Amazon.com, Inc.	Consumer Discretionary	US	5.3%

## Best & Worst Performers - 1 Month

Top 5 - Relative Contribution		Bottom 5 - Relative Contribution	
Motorola Solutions, Inc.	0.33%	S&P Global, Inc.	-0.75%
Tsmc	0.30%	Accenture Plc Class A	-0.54%
Waste Management, Inc.	0.16%	Wolters Kluwer N.V.	-0.53%
Netflix, Inc.	0.11%	Amazon.com, Inc.	-0.39%
Abbott Laboratories	0.11%	Alphabet Inc. Class A	-0.38%

## Investment Metrics<sup>#</sup>

	Portfolio	Index	Relative
<b>Risk</b>			
Total Risk	13.74	12.08	
Number of Stocks	33	1,273	
Active Share	75.9		
<b>Value</b>			
P/E (Fwd 12M)	20.7	17.5	118%
EV / EBITDA	19.0	16.0	119%
<b>Growth (%)</b>			
Sales Growth	17.0	12.4	136%
EPS Growth	21.5	17.7	121%
<b>Quality</b>			
Return on Equity	32.3	16.4	197%
Net Debt / EBITDA	0.4	0.9	45%
<b>ESG</b>			
MSCI ESG Overall Score	6.7	6.7	101%
Carbon Emissions*	31.0	99.4	31%

<sup>#</sup> Investment Metrics calculated using FactSet database  
\* Scope 1+2 CO2 and equivalents per US\$ mil. of revenue

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**Ned Bell** CIO / Portfolio Manager



**Joel Connell** Portfolio Manager



**Andrew Gowen** PM / Director of Research

### Contact Details

Unitholder enquiries  
T: 1300 133 451  
E: registry@apexgroup.com

Bell Asset Management Limited  
W: bellasset.com.au  
T: 1300 305 476  
E: client@bellasset.com.au

Xanthe Virtue: Head of Wholesale & Platforms  
T: +61 2 8000 8872 M: +61 413 450 163  
E: xvirtue@bellasset.com.au

Andrew Stewart: Head of Retail Sales  
T: +61 2 8000 8875 M: +61 419 224 732  
E: astewart@bellasset.com.au

### Performance

Global equity investors faced continued volatility throughout February, though markets ultimately finished the month slightly higher in USD terms. The MSCI World ex-Australia (Hedged) Index returned +0.9% in February, whilst the Bell Global High Conviction Fund (Hedged Class) fell 5.2%, underperforming the MSCI World ex-Australia (Hedged) Index by 6.1%.

### Performance Attribution

The portfolio declined over February, primarily reflecting weakness across Information Technology, Communication Services, Consumer Discretionary, Financials and Industrials. From a regional perspective, the largest declines were in North America and Europe, while Asia Pacific and Emerging Markets proved more resilient. Relative performance was pressured by the portfolio's overweight to Communication Services, underweights to Energy, Consumer Staples, Materials and Utilities, and weaker stock selection across Consumer Discretionary, Financials and Industrials. This was partially offset by the portfolio's overweight to Industrials, which provided a modest tailwind.

When we step back and assess the main drivers of February's underperformance, it largely reflects a continuation of the headwinds associated with the AI disruption narrative that have weighed on markets in recent periods and which we have discussed in prior reports. During the month we observed several instances of what appeared to be "capitulation" across parts of the market. Notably, this selling pressure extended well beyond pure software and began to impact a range of adjacent sectors including logistics companies, real estate services, insurance brokers and wealth managers, to name a few. In our view, much of this selling has been indiscriminate and sentiment-driven, which we believe is creating attractive

opportunities for long-term investors. Encouragingly, during the final week of February and into early March, we have seen initial signs that sentiment has bottomed. Several of the names most impacted by AI-related fears are beginning to rebound. While it remains early in this recovery, we believe the current valuations of these industry leaders are too compelling for the market to ignore for much longer.

At the stock level, Motorola Solutions was among the strongest performers, with shares rising approximately 20% over February. The rally was primarily driven by Q4 earnings growth of 14% and a record operating margin of 32%, supported by higher sales and operating leverage. Beyond these financial metrics, the market also responded positively to Motorola's ongoing structural pivot toward higher-margin, recurring revenue models, led by the Software and Services segment, which grew 15% during the quarter. Progress in AI-enhanced video security, smart city infrastructure integrations, and the successful integration of Silvus Technologies highlighted the development of a comprehensive, closed-loop public safety ecosystem. Management's robust forward guidance for 2026, alongside shareholder return initiatives including US\$490 million in Q4 share repurchases and an increased quarterly dividend, further supported the share price. Following the rally, we have cut back the position size as the upside potential has reduced. Other positive contributors included TSMC (Information Technology), Waste Management (Industrials) and Netflix (Communication Services).

S&P Global, a leading American provider of financial information, detracted notably over the month. The stock was caught up in a broader market sell-off of perceived "AI-disrupted" names early in the month, with concerns for S&P specifically focused

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on the potential for agentic AI to disrupt its Market Intelligence business by autonomously synthesising public filings and threatening seat-based revenues. This pressure was further exacerbated by a conservative 4-7% organic growth guide for their Ratings business, which some investors interpreted as a sign of "post-peak" issuance. Following a thorough review, we concluded that while long-term risks to Market Intelligence exist, they were sufficiently priced in at a compressed valuation of ~20x forward P/E and we used this weakness to add to our position. Sentiment has since improved following a more constructive Ratings guide from peer Moody's, and S&P's own admission that its guidance was conservative, failing to fully account for the massive issuance tailwinds expected from the AI CAPEX boom. The stock has since rebounded 15% off its lows. Our conviction remains high, rooted in the belief that S&P's verified data will serve as the "ground truth" for regulated AI, where fiduciary risks deter the use of unverified outputs. Additionally, AI serves as an internal catalyst for margin expansion, targeting significant operational savings by 2027. Other detractors included Accenture (Information Technology), Wolters Kluwer (Industrials) and Amazon (Consumer Discretionary).

### Market Commentary

Equity markets delivered modest gains over February in USD terms, although dispersion across sectors, regions and factors remained pronounced. Sector performance was highly bifurcated, with Energy, Consumer Staples, Industrials, Real Estate, Materials and Utilities each rising more than 6% for the month, while Communication Services, Financials, Consumer Discretionary and Information Technology declined. Regionally, US equities lagged, whereas Europe and Asia-Pacific markets advanced. Japanese equities were a key driver of regional strength, with the Nikkei closing at all-time

highs. Factor returns also diverged meaningfully according to MSCI indices. Low Volatility and Value factors outperformed, whilst Growth underperformed by approximately 2.3%. Momentum and Quality closed the period broadly in line with the market.

Much of this dispersion reflected ongoing concerns around AI-related disruption. While these fears initially centred on Software during the prior year, they have increasingly broadened across industries, contributing to a rotation toward more asset-intensive areas of the market perceived as less exposed to such risks. This dynamic, combined with rising investor risk aversion, supported stronger performance in more attractively valued segments of the market, including Value-oriented equities, small caps and non-US markets.

In rates markets, February was notable for the Reserve Bank of Australia's hawkish shift, with the central bank raising the policy rate by 25bps on February 3, following persistently elevated inflation data from late 2025. The move came only six months after the RBA last eased policy and contributed to an appreciation in the Australian dollar, which created a headwind for unhedged Australian investors with offshore exposures. Elsewhere, policy developments were more muted, reflecting the absence of a Federal Reserve meeting and decisions by both the European Central Bank and the Bank of England to hold rates steady. Nonetheless, softer labour market data and increasing investor caution saw markets begin to price in additional US rate cuts later in the year.

Commodity markets were mixed over the period. Precious metals continued their upward trend despite early-month weakness following the nomination of Kevin Warsh as Federal Reserve Chair by President Trump. Industrial metals traded

largely sideways, while crude oil markets ticked higher as the geopolitical risk premium expanded. This proved timely for traders considering the sharp rally observed in early March following the outbreak of conflict in the Middle East. Cryptocurrency markets experienced notable volatility during the month, with Bitcoin suffering one of its sharpest declines on record on February 5, briefly falling toward the US\$60,000 mark.

### Portfolio Activity

The portfolio initiated a new position in Experian, one of the three global credit bureaus. The company possesses a unique information advantage, holding records on more than 1.5 billion individuals and businesses globally. Experian also maintains a formidable moat rooted in its massive proprietary datasets and the high switching costs associated with its deeply integrated software. Combined with the fact that its data is embedded in the decisioning workflows of thousands of financial institutions, healthcare providers and automotive lenders, this helps foster a highly sticky customer base for the franchise. We initiated the position in February given strong fundamental momentum and the company's strategic pivot toward higher-growth consumer-facing services, at a time when the stock had sold off on the back of disintermediation fears, providing a very attractive entry point.

In terms of sales, the portfolio exited Fortune Brands, a leading home and security products company. The decision reflects a cloudier outlook for the US housing market, along with recent management changes, which together reduce our confidence in the company's forward-looking earnings recovery. Additionally, Novo Nordisk, a global healthcare leader, was also exited from the portfolio during the period following a disappointing pipeline update that

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lowered our confidence in the durability of long-term earnings.

## Key Features

<b>Investment Objective</b>	To outperform the MSCI World Ex Australia Index (Hedged) in Australian Dollars with net dividends reinvested, over rolling three-year periods after fees and expenses (but before taxes).
<b>Asset Allocation</b>	Concentrated long only global equities portfolio. Derivatives are used to hedge the Fund's foreign currency exposure for the Hedged Class Unit back to AUD.
<b>Investment Style</b>	Fundamental bottom up approach 'quality at a reasonable price'
<b>Investment Highlights</b>	<ul style="list-style-type: none"><li>• 'Quality' focus - consistently high returning companies</li><li>• Long-term horizon - typically 3-5 year holding periods</li><li>• Benchmark agnostic, no country limits</li><li>• Maximum cash position 10%</li><li>• Highly experienced investment team</li></ul>
<b>Benchmark</b>	MSCI World ex Australia Index (Hedged) net of dividends reinvested
<b>Currency Exposure</b>	Hedged
<b>Investment Timeframe</b>	At least 5 years
<b>Number of Holdings</b>	20-40

## Fund Terms

<b>Fund Inception Date</b>	Strategy inception date is 1 July 2025. Fund inception date is 19 November 2021.
<b>Product Structure</b>	Registered Managed Investment Scheme
<b>Investment Manager</b>	Bell Asset Management Limited
<b>Responsible Entity</b>	The Trust Company (RE Services) Limited
<b>Custodian</b>	Apex Fund Services Pty Ltd
<b>Unit Pricing &amp; Liquidity</b>	Daily Published on <a href="http://www.bellasset.com.au">www.bellasset.com.au</a> & market data services.
<b>Minimum Investment</b>	Minimum investment - \$25,000
<b>Indirect Cost Ratio</b>	0.95%p.a. No performance fees, No entry or exit fees
<b>Buy / Sell Spread</b>	+/-0.10%
<b>Reporting</b>	Transaction confirmations upon transacting, annual periodic statement, tax statement, distribution statement & Annual Financial Report
<b>Income</b>	Annual distribution of taxable income
<b>Target Market</b>	This product is intended for use as a minor or satellite component within a portfolio for a consumer who is seeking capital growth and has a high to very high risk and return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a 5-year minimum investment timeframe and who is unlikely to need to withdraw their money on less than one month's notice.

**Important Information:** The Trust Company (RE Services) Limited (Trust Co) ABN 45 003 278 831, AFSL 235150 is the responsible entity and issuer of units for the Bell Global High Conviction Fund (the Fund). Bell Asset Management Limited (BAM) ABN 84 092 278 647, AFSL 231091 is the investment manager for the Fund. This report has been prepared and issued by BAM for information purposes only and does not take into consideration the investment objectives, financial circumstances or needs of any particular recipient and it contains general information only. You should consider the product disclosure statement (PDS), prior to making any investment decisions. The PDS and target market determination (TMD) can be obtained for free by calling 1300 133 451 or visiting our website [www.bellasset.com.au](http://www.bellasset.com.au). If you require financial advice that takes into account your personal objectives, financial situation or needs, you should consult your licensed or authorised financial adviser. No representation or warranty, express or implied, is made as to the accuracy, completeness or reasonableness of any assumption contained in this report and none of Trust Co, BAM and its directors, employees or agents accepts any liability for any loss arising, including from negligence, from the use of this document. Past performance is not necessarily indicative of expected future performance. Total returns shown for the Fund have been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation.