



Global Equities ESG Engagement Report 2025

24 April 2026

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Bell Global Emerging Companies Fund ARSN 160 079 541
Bell Global High Conviction Fund ARSN 654 737 167

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Total returns shown for the any of the Funds have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

Any opinions, forecasts, estimates or projections reflect judgments of the investment manager, BAM as at the date of this document and are subject to change without notice. Rates of return cannot be guaranteed and any forecasts, estimates or projections as to future returns should not be relied on, as they are based on assumptions which may or may not ultimately be correct. Actual returns could differ significantly from any forecasts, estimates or projections provided. Past performance is not a reliable indicator of future performance.

This information is only as current as at date of publication and may be superseded by subsequent market events or for other reasons. Unless otherwise stated, all information in this report relates to the reporting period from 1 January 2025 to 31 December 2025, with data presented as at 31 December 2025.

Introduction

Bell Asset Management (“BAM”) has been an active global equities manager since 2003, with a long-standing track record of managing international equity portfolios across market cycles and deep expertise in global small- and mid-cap (SMID cap) companies. The firm currently offers three distinct global equities strategies, each underpinned by a consistent investment philosophy and disciplined process.

The information presented in this report solely relates to BAM’s global equities strategies.

BAM’s global equities investment team believes a company’s management of Environmental, Social, and Governance (ESG) risks and opportunities directly impacts the valuation and long-term sustainability of an investment. We employ a disciplined framework where material ESG risks are assessed alongside other stewardship activities including negative screening, active engagement, and proxy voting. This integrated approach serves our clients’ best interests and supports our core objective: delivering long-term capital appreciation in excess of the benchmark.

BAM’s global equities investment team



Our 2025 highlights include:

- Executed a series of meaningful engagements across our portfolio, leveraging both direct dialogue and industry collaborations to drive corporate progress.
- Refined our bespoke proxy voting policy and enhanced transparency by pre-announcing key voting intentions on material resolutions.
- Actively collaborated with policymakers and external stakeholders to shape the future of sustainable finance.
- Maintained top-tier ratings and ongoing validation from leading global providers, including UNPRI, RIAA, and Morningstar.

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ESG Philosophy - Global Equities

BAM's global equities investment team is committed to the ongoing integration of ESG considerations into its process, applying a disciplined framework supported by stewardship and ESG-focused activities, including screening, in-depth analysis, active company engagement, and proxy voting.

The infographic consists of five vertical panels, each with a circular icon at the top, a title, and descriptive text. The panels are: 1. Exclusions (STOP icon), 2. Integration (plant icon), 3. Engagement (handshake icon), 4. Outcomes (target icon), and 5. Industry Involvement (circular arrows icon). The fifth panel also lists several external standards and organizations.

ESG Exclusions	ESG integration	Active engagement	Outcomes	Industry involvement
Active screens in respect of tobacco, controversial, nuclear and conventional weapons, coal, gambling, civilian firearms, unconventional oil & gas, adult entertainment and international norms	ESG framework integrated into investment process	Direct company dialogue. Collaborative engagement. Proxy voting	ESG score of portfolio to exceed the underlying benchmark Carbon intensity at least 25% below benchmark	PRIPRI PRINCIPLES FOR RESPONSIBLE INVESTMENT MSCI CDPCDP GLASS LEWIS riaa

Investment Style – Global Equities

BAM's global equities strategy follows a Quality at a Reasonable Price (QARP) philosophy, using a well-defined process to construct high-quality portfolios without paying excessive valuation premiums. As bottom-up stock pickers, the team seeks to deliver consistent outcomes through a portfolio of lowly correlated securities and diversified style exposures.

A high-quality company is defined as one exhibiting an attractive combination of the following six factors:

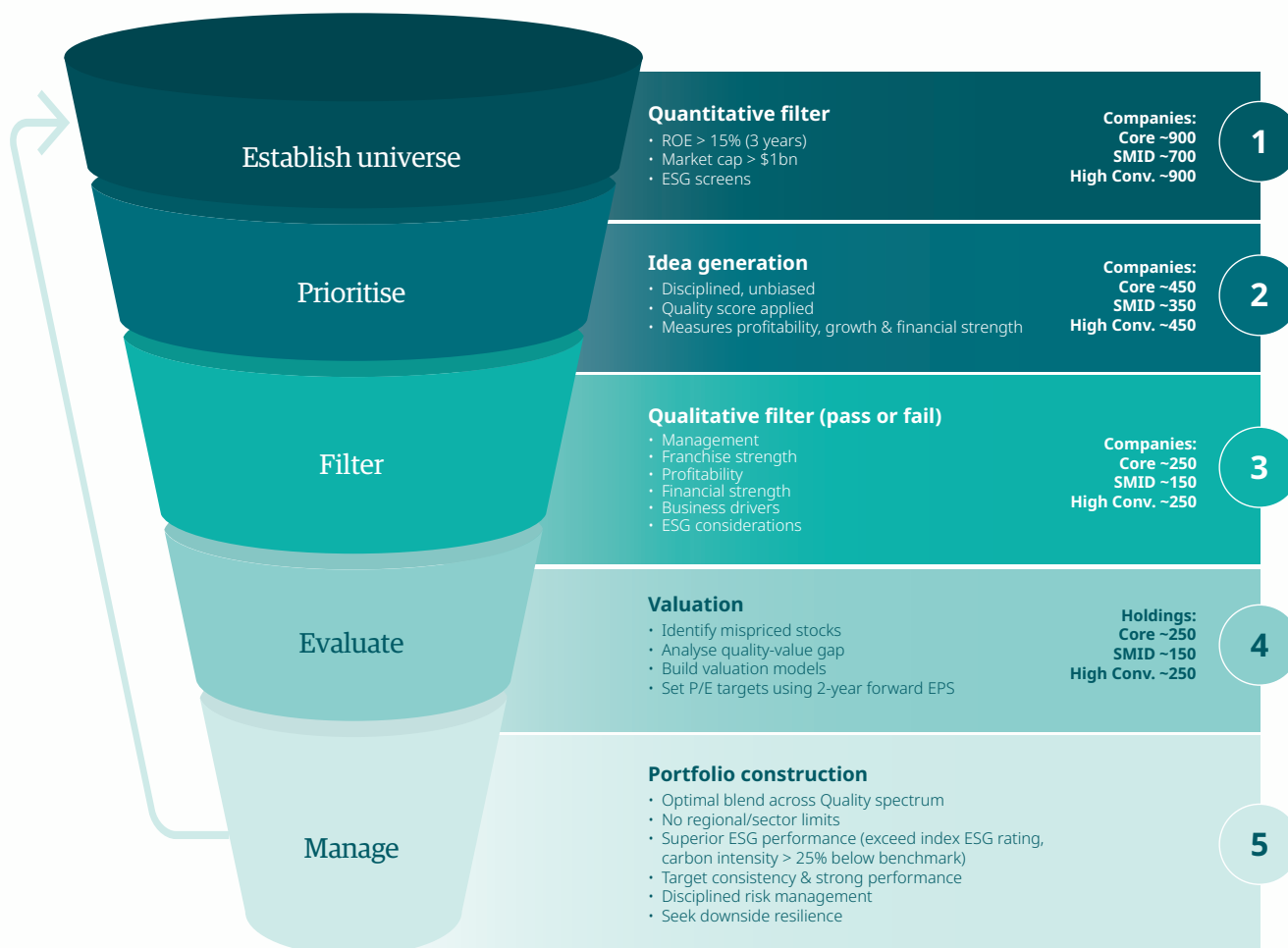
- Quality management
- Consistent profitability
- Franchise strength
- Financial strength
- Favourable business drivers
- Strong ESG characteristics

The team adopts an absolute approach to risk, focused on capital preservation and participation in upside opportunities. This is achieved through disciplined entry prices as a primary defence against valuation volatility, alongside a focus on investing in high-quality companies to reduce fundamental risk.

ESG considerations are embedded throughout the investment process:

- In Step 1: ESG exclusions
- In Step 3: Qualitative, bottom-up assessment (ESG Materiality Assessment for each company, overall positive selection favouring companies with strong ESG characteristics and exclusion of companies that fail to meet our assessment)
- In Step 4: Valuation (modelling and valuation premiums/discounts applied)
- In Step 5: Portfolio construction (position sizing) to exceed our stated target

The team believes that integrating ESG factors enhances its ability to deliver superior long-term returns. It takes responsibility for forming independent views on ESG issues and proactively engages with company management on responsible investment matters. As stewards of client capital, active ownership and engagement are considered integral to achieving optimal investor outcomes.



ESG Exclusion Criteria

As at 1 September 2025, we made changes to our ESG Exclusion criteria, which is applied to all BAM global equities investment portfolios. This is in addition to client specific ESG exclusions when required in respect of the relevant client investment portfolio.

The ESG Criteria updates came at a time of shifting perspectives within the ESG landscape. Since the invasion of Ukraine in 2022, defence and security have re-emerged as central priorities for governments and societies. Rising geopolitical instability, reduced US military aid to Ukraine, and shifting NATO dynamics have prompted calls for increased defence investment. Against this backdrop, many investors and policymakers are re-evaluating blanket exclusions on defence-related companies. There is growing recognition that responsible defence exposure can be aligned with UN Sustainable Development Goal 16 (Peace, Justice and Strong Institutions), particularly in supporting the right of sovereign nations to defend themselves and maintain peace and stability.

In parallel, the energy transition has become inseparable from national and regional energy security. Volatility in global energy markets, compounded by the war in Ukraine and the need to decarbonise at scale, has driven a renewed focus on secure, low-carbon power sources. Nuclear energy plays a growing role in this equation, particularly as demand rises for clean, stable electricity to support AI infrastructure and digital growth. Our decision to remove our exclusion on nuclear energy reflects this evolving reality; recognising its contribution to decarbonisation goals, while also enhancing energy independence and resilience in key markets.

The changes made to our ESG exclusions are as follows:

1. Increasing our exposure to conventional weapons production to 20% revenue threshold, where conventional weapons are defined as conventional weapons + support system and services. We now also have exposure to nuclear weapons up to a 3% of revenue threshold.
2. We are removing the threshold-based exclusion on nuclear energy exposure, in recognition of its role in meeting growing energy demands, particularly in support of low-carbon power generation for AI and digital infrastructure. This adjustment supports our broader commitment to the energy transition.
3. The revenue threshold for excluding companies involved in the retail or supply of tobacco products is being raised from 10% to 15%. This change acknowledges the incidental nature of tobacco-related revenues in some diversified retailers, while continuing to exclude tobacco production in full.

The latest version of BAM's global equities ESG Exclusion Criteria can be found on our website: <https://www.bellasset.com.au/about-us/how-we-manage-global-equities#esg>

ESG Outcomes

During the period, two outcomes of our ESG integrated investment process included:

1. A superior overall ESG score, as measured by MSCI, which exceeds that of the relevant benchmark.
2. A low carbon footprint, which we define as having a weighted average carbon intensity (WACI), as measured by MSCI, that is at least 25% below the relevant benchmark.

ESG Scores

Based on average data spanning the 10-year period from 31 December 2015 to 31 December 2025, the BAM Global Core strategy maintains a structural overweight to companies with superior ESG profiles compared to the MSCI World Index. The portfolio's largest single allocation is in the AA-rated category (26.02%), followed by substantial positions in A-rated (22.95%) and BBB-rated (19.00%) securities.

While the strategy holds a selective 14.85% in AAA-rated companies, its primary concentration resides in the upper-mid spectrum of the ESG ratings scale. Conversely, the strategy maintains a defensive posture regarding "Laggard" stocks, effectively minimising exposure to the CCC rating tier (0.54%).

TCFD Reporting

In alignment with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we disclose our climate change strategy, risk management, metrics and targets in this section of the report.

Governance and Responsibility

BAM supports the goals of the 2015 Paris Agreement, which aims to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit to 1.5°C above pre-industrial levels. BAM has adopted climate-related financial disclosures which are aligned with TCFD. We are supportive of the TCFD framework and will advocate to our investee and potential investee companies to adopt the framework.

As part of the global equities investment process, the investment team analyses each security's exposure to climate change risks and opportunities through the lens of transition risks, as the global economy transitions towards a low and ultimately net-zero carbon economy, as well as the physical risks that companies could face from climate change. This analysis is captured in our internal research system. On a monthly basis, the team reviews the weighted average Carbon Dioxide or equivalent (CO₂e) emissions and CO₂e intensity (measured in tons of CO₂e per million of USD revenues generated) of our strategies vs their respective benchmarks.

On an annual basis, the BAM global equities investment team reports the quantitative climate change scenario for all its strategies. This is reported in the MSCI Climate Risk Report which includes information on implied temperature rise, carbon footprint analysis, climate scenario analysis and climate value at-risk.

Portfolio managers are accountable for the monitoring of their global equities strategies' carbon emissions and carbon intensity.

Strategy and Risk Management

As mentioned in the 'Investment Style' section, ESG factors including climate change risks and opportunities are assessed in Step 3 (Qualitative assessment) of our investment process. The BAM global equities investment team considers relevant climate change risks for various time periods: the short-term (less than one year), medium-term (one to five years) and the long-term (five+ years).

Analysis of the short-term risks are typically climate change risks the companies are currently facing such as floods, drought, or sudden regulatory actions. Medium-term climate change risks and opportunities are issues that the company will be facing within our investment time horizon and can affect our expected company earnings and valuation. Long-term climate change risks take into account risks regarding the useful life and/or the value of the company's assets and infrastructure due to climate change risks.

Physical risks include potential disruptions such as floods, fires, or other climate-related events that may impact operations or assets. Transition risks include policy and regulatory changes, for example carbon pricing, as well as resource constraints and shifts in market demand.

The team considers the portfolios to have relatively limited exposure to physical climate risk, given their bias towards asset-light businesses with smaller physical footprints in high-risk locations. While sectors such as real estate typically carry higher physical risk exposure, the portfolios currently have no direct exposure to this sector. Nevertheless, climate considerations, such as emissions associated with offices and logistics, are incorporated into ongoing company engagement.

Similarly, exposure to transition risk is considered limited. Sectors most exposed, such as energy, utilities, and certain transport industries, are generally underrepresented. Many companies in these sectors do not meet the investment criteria, including the requirement to generate a return on equity above 15% over three consecutive years, and are therefore excluded from the investment universe.

The team conducts both quantitative and qualitative climate scenario analysis across all global equities strategies and publishes key findings annually. Analysis is primarily based on MSCI Climate Risk Reports, supplemented by CDP data to assess company-level disclosures on climate, water, and forestry.

Climate Value at Risk															
Selected Scenario: 2°C NGFS Orderly	2°C NGFS Orderly			1.5° REMIND NGFS Orderly			1.5° REMIND NGFS Disorderly			2° REMIND NGFS Orderly			3° REMIND NGFS NDC		
	Portfolio	Benchmark	Active	Portfolio	Benchmark	Active	Portfolio	Benchmark	Active	Portfolio	Benchmark	Active	Portfolio	Benchmark	Active
Policy Climate Var (Scope 1,2,3)	-0.4%	-1.8%	1.3%	4.3%	-10.9%	6.6%	-4.1%	-11.1%	6.9%	-0.4%	-1.8%	1.3%	-0.9%	-3.4%	2.5%
Technology Opportunities Climate VaR	0.1%	0.1%	0.0%	0.9%	1.0%	-0.1%	1.1%	1.2%	0.0%	0.1%	0.1%	0.0%	0.3%	0.2%	0.0%
Physical Climate VaR Aggressive	-1.0%	-1.7%	0.7%	-0.6%	-1.0%	0.4%	-0.6%	-1.0%	0.4%	-1.0%	-1.7%	0.7%	-1.4%	-2.4%	0.9%
Aggregated Climate VeR	-1.3%	-3.3%	2.0%	-4.1%	-11.0%	6.9%	-3.6%	-10.9%	7.3%	-1.3%	-3.3%	2.0%	-2.1%	-5.5%	3.4%

Source: MSCI Climate Risk Report. Data as of 31 December 2025.

Climate-related risks are incorporated into the ESG materiality assessment and frequently inform company engagement activities, several examples of which are included in this report.

Metrics and Targets

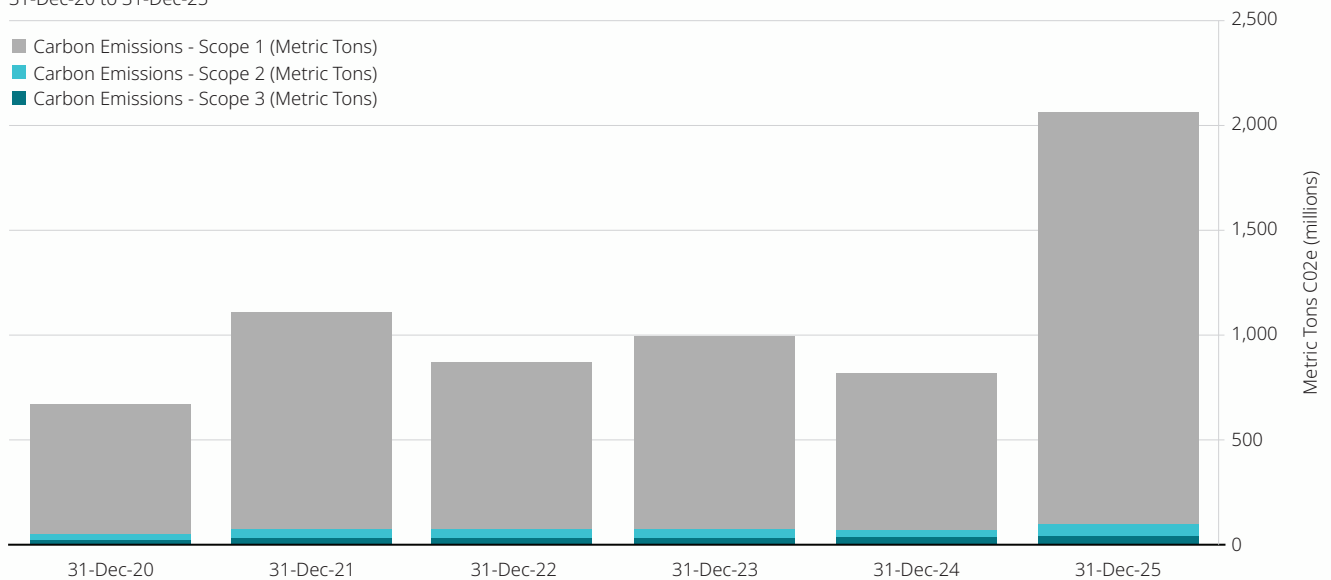
One of the outcomes of the ESG integrated global equities investment process is that the portfolios have consistently maintained a low carbon footprint, which the investment team define as having a weighted average carbon intensity (WACI), as measured by MSCI, that is at least 25% below the relevant benchmark. As the world continues to decarbonise, the team envisions that the carbon intensity of the relevant global equities benchmarks will continue to decline, and therefore our strategies' carbon intensity are expected to continue to decline in a similar or hopefully quicker rate.

In addition, we also disclose our Global Core Composite Greenhouse Gas (GHG) emissions. The team have broken down our GHG emissions in line with GHG Protocol standards, which categorise emissions into three scopes.

- **Scope 1 emissions** are the direct GHG emissions that occur from sources that are controlled or owned by the reporting organisation (e.g., emissions that result from fuel combustion in furnaces and vehicles).
- **Scope 2 emissions** are indirect GHG emissions associated with the purchase and use of electricity, steam, heat, or cooling by the reporting organisation.
- **Scope 3 emissions*** result from activities and assets not owned or controlled by the reporting organisation, but that the organisation indirectly impacts on its value chain (e.g., transportation and distribution, purchased goods and services).

Bell Asset Management Core Composite GHG Emissions

31-Dec-20 to 31-Dec-25



31-DEC-20 to 31-DEC-25	31-DEC-20		31-DEC-21		30-DEC-22		29-DEC-23		31-DEC-24		31-DEC-25	
	Core Global Equities (USD)	MSCI World	Core Global Equities (USD)	MSCI World	Core Global Equities (USD)	MSCI World	Core Global Equities (USD)	MSCI World	Core Global Equities (USD)	MSCI World	Core Global Equities (USD)	MSCI World
	Data	Data	Data	Data	Data	Data	Data	Data	Data	Data	Data	Data
Carbon Emissions - Scope 1 (Metric Tons)	21,372,874	4,359,339,423	37,680,122	3,756,823,642	34,947,586	3,766,266,393	36,083,217	3,728,505,597	38,826,188	3,401,610,787	48,156,024	3,203,246,060
Carbon Emissions - Scope 2 (Metric Tons)	34,941,749	872,345,450	37,092,467	791,996,256	40,118,406	773,169,774	39,517,373	730,720,936	34,273,602	696,581,904	49,460,423	652,109,639
Carbon Emissions - Scope 3 (Metric Tons)	616,815,145	19,329,129,579	1,036,986,730	22,527,438,198	797,305,861	27,390,047,250	922,284,594	30,695,842,688	745,442,099	26,859,085,525	1,964,101,043	35,279,801,583

Source: MSCI ESG Research and Portfolio Analytics, Bell Asset Management Limited, December 2025.

*The significant increase in Scope 3 emissions in 2025 is attributed to our Global Equities strategies higher weighting to Industrials and large-cap retailers.

The BAM global equities investment team generally avoid most high emission sectors such as Utilities, Energy (Oil & Gas and Chemicals), Heavy Industrials (manufacturers, asset heavy industries) and transportation. We have a draft document in progress which provides an initial assessment to help us identify and quantify the makeup of our strategies' carbon footprint and ways to reduce it and reach net-zero. Two key hurdles preventing the investment team from making a formal commitment to net-zero targets are: a) lack of disclosure and b) viability of company targets. Most companies have excellent disclosure regarding their carbon footprint for Scope 1 and 2 GHG emissions but have not yet formulated targets and/or committed to net-zero. A small number of companies have plans which do not look achievable or are behind internal planned targets. There are also a handful of companies that either do not have a plan and/or do not have sufficient disclosure. We promote improved disclosure during company engagements and through collaborative engagements and policy-maker engagements.

Methodology

Our emissions data is provided by MSCI ESG Research. The data represents the company's most recently reported GHG emissions. MSCI will also estimate GHG data when reported data is missing. GHGs include carbon dioxide, methane, nitrous oxide and other fluorinated gases. Figures on GHG emissions are expressed in tons of carbon dioxide equivalent (CO2e).

Over the three-year period, over ~98% of our Global Core portfolio holdings reported annual Scope 1 and Scope 2 carbon emissions data. Reported Scope 3 data for our global core portfolio have improved over past years, from ~60% in 2021 to 75% in 2025.

Scope 1 Analysis

Carbon Emissions - Scope 1 Grouping		Excluded: [Cash]											
30-JUN-20 to 31-DEC-25	31-DEC-20		31-DEC-21		30-DEC-22		29-DEC-23		31-DEC-24		31-DEC-25		
	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	Carbon Emissions - Scope 1 (Metric Tons)	# of Securities	
Total	21,372,874	95	37,680,122	94	34,947,586	94	36,083,217	99	38,826,188	102	48,156,024	98	
Reported	21,372,874	90	37,680,122	90	34,947,586	90	36,083,217	98	38,826,188	100	48,156,024	96	
Not Reported	--	5	--	4	--	4	--	1	--	2	--	2	

Source: MSCI ESG Research and Portfolio Analytics, Bell Asset Management Limited, December 2025.

Scope 2 Analysis

Carbon Emissions - Scope 2 Grouping		Excluded: [Cash]											
30-JUN-20 to 31-DEC-25	31-DEC-20		31-DEC-21		30-DEC-22		29-DEC-23		31-DEC-24		31-DEC-25		
	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	Carbon Emissions - Scope 2 (Metric Tons)	# of Securities	
Total	34,941,749	95	37,092,467	94	40,118,406	94	39,517,373	99	34,273,602	102	49,460,423	98	
Reported	34,941,749	91	37,092,467	90	40,118,406	91	39,517,373	98	34,273,602	101	49,460,423	96	
Not Reported	--	4	--	4	--	3	--	1	--	1	--	2	

Source: MSCI ESG Research and Portfolio Analytics, Bell Asset Management Limited, December 2025.

Scope 3 Analysis

Carbon Emissions - Scope 3 Grouping		Excluded: [Cash]											
30-JUN-20 to 31-DEC-25	31-DEC-20		31-DEC-21		30-DEC-22		29-DEC-23		31-DEC-24		31-DEC-25		
	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	Carbon Emissions - Scope 3 (Metric Tons)	# of Securities	
Total	616,815,145	95	1,036,986,730	94	797,305,861	94	922,284,594	99	745,442,099	102	1,964,101,043	98	
Reported	616,815,145	52	1,036,986,730	59	797,305,861	67	922,284,594	75	745,442,099	76	1,964,101,043	75	
Not Reported	--	43	--	35	--	27	--	24	--	26	--	23	

Source: MSCI ESG Research and Portfolio Analytics, Bell Asset Management Limited, December 2025.

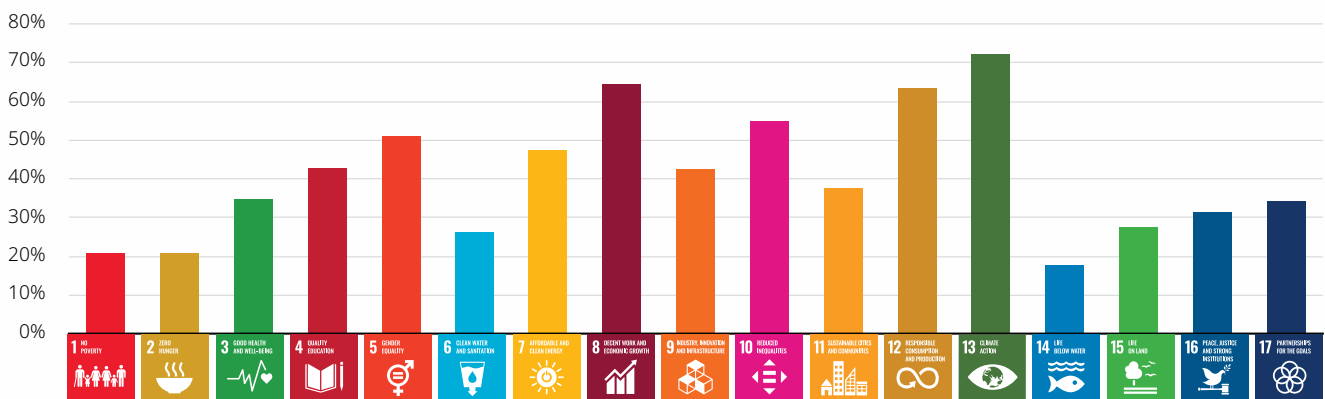
Alignment to UN SDGs and Outcomes

Support of the UN SDGs

BAM's global equities investment team supports the United Nations Sustainable Development goals and aligns itself to various UN Sustainable Development Goals (SDGs) that are most representative of our investment philosophy. Therefore, our stewardship and research efforts take into account both positive and negative effects and are primarily focused on ensuring that our investments are aligned with our investment philosophy, in that they: generate sustainable profits over the long-term, have a lean environmental footprint, provide empowerment and equality both within their workforce, supply chain and within the community in which they operate in and are committed to making a meaningful contribution to society's well-being.

Portfolio Mapping to the UN SDGs

At a strategy level, the outcome of our integrated investment and ESG approach is a portfolio of companies that have strong alignment to the UN's 17 SDGs. The majority of our investment holdings publish their alignment to these goals which we map on an ongoing basis. This chart represents the alignment as at 31 December 2025:



Source: Bell Asset Management Limited, December 2025.

UN SDGs Prioritised by BAM

BAM's global equities investment team have chosen seven SDGs to support and promote that align to our integrated investment philosophy and ESG approach. These are related to either the environment, social issues, or good governance, where we believe companies can make a meaningful difference in both their actions and in their disclosure. The team have also utilised various UN SDG related targets and indicators (and in some cases in combination with our own internal indicators) to measure and monitor progress. These have been chosen because there is adequate data and disclosure from portfolio companies (and peers) that enable us to undertake meaningful analysis. This framework deepens our understanding of sustainability factors, enabling us to incorporate higher-quality assumptions into our models and valuation frameworks, and strengthen our stewardship and engagement with companies.



Modern Slavery

BAM is not required to prepare, publish or provide to the Australian Border Force a Modern Slavery Statement for inclusion in the public register. As a practice of sound corporate citizenship and consistent with our approach to all ESG matters in our investment process, BAM has implemented a Modern Slavery program that generally conforms to the requirements of Australia's Modern Slavery Act.

Our Modern Slavery program addresses both BAM's own supply chain and the supply chain of companies in our global equities investment holdings. Our approach to address Modern Slavery focuses on risk assessment, employee training, engagement, and proxy voting.

Mandatory Modern Slavery training is required of all BAM staff. The program is being led by our CEO.

From a global equities investment perspective, as a part of our fundamental bottom-up investment process, our investment team review all ESG investment issues including modern slavery and human rights for all companies we research and have investment in. This includes due diligence on the company as well as their supply chains. We investigate these issues as part of our Quality assessment of a company (ESG is one of our 6 Quality factors) where we complete an ESG Materiality Assessment. The inputs include our own research and engagement, sourcing ESG/sustainability reports released by the company and the use of 3rd party ESG research from MSCI that will highlight specific risks and/or "controversies".

This analysis also regularly includes engaging directly with companies to investigate areas of concern or uncertainty, following which we will make a determination of whether exposure to these risks deems us to exclude the company from investment due to failing our "quality test". We also analyse supply chain issues through our collaborative engagement KnowTheChain, which is discussed in more detail in the "Collaborative Engagements" section of this report. Human Rights is also investigated and analysed during our engagements regarding delivering sustainable outcomes.

Proxy Voting

Proxy Voting Philosophy

BAM's global equities proxy voting procedures are designed to protect and enhance the investment value of our clients' assets. We regard the exercise of voting rights as an essential Stewardship tool. We recognise that the exercise of voting rights can be used to influence company policy on matters of corporate governance and can enhance investment value.

We generally support proposals regarding the **environment**, in particular, those seeking improved sustainability reporting and disclosure about company practices which impact the environment.

- We will support all shareholder proposals regarding increasing and/or improving carbon emissions disclosure*
- This includes recommendations provided by the TCFD which includes topics such as climate change scenario analysis, carbon emission metrics and carbon reduction targets*

We generally support enhancing the **rights of workers**, as well as considering the communities and broader constituents in the areas in which companies conduct their business activities.

- We will support shareholder proposals seeking to improve disclosure on a company's local stakeholders, workers' rights, workforce diversity and gender/racial pay inequity*
- We generally support proposals seeking increased disclosure regarding public health and safety issues including those related to product responsibility, in particular, the elimination or reduction of toxic emissions and use of toxic chemicals in manufacturing and the prohibition of tobacco sales to minors.

We will support initiatives that seek to **enhance shareholder rights** and independence and **diversity of boards**.

- For a large-cap global equities company, (as defined by our proxy research provider) we will vote against all male directors up for election and re-election if a company has less than 30% female representation on the board. For a small-cap company, we will vote against all male directors up for election or re-election if there is not at least one female on the board
- We will vote against all proposals for a company to re-domicile to known tax haven countries
- We will vote against auditor ratification proposals in instances where it is clear that a company's auditor has not been changed for 20 or more years
- We will vote against proposed directors who are considered "over-boarded"
- We will vote against executive compensation packages considered excessive or not based on merit

Note: * = BAM Global Equities customised proxy instruction

We utilise Glass Lewis as our proxy voting partner who provides recommendations for each proposal based on our ESG voting policy framework. While we are mindful of the ongoing public and regulatory discourse regarding the influence of proxy advisory firms, we continue to value these partners for the analytical depth and operational scalability they provide to our stewardship process.

Our ESG philosophy and the rigor of this partnership mean we often do not vote in the same direction recommended by a holding's management. Specifically, we generally support shareholder resolutions that advocate for increased disclosure, the setting of ESG-related targets, and the improvement of board diversity and independence. We also use these votes to address governance concerns such as over-boarding. Furthermore, we provide flexibility for specific client needs, instructing our partner to vote in a specific direction when requested by individuals for whom we manage a separate account mandate or to ensure alignment with our specific Stewardship Policy guidelines.

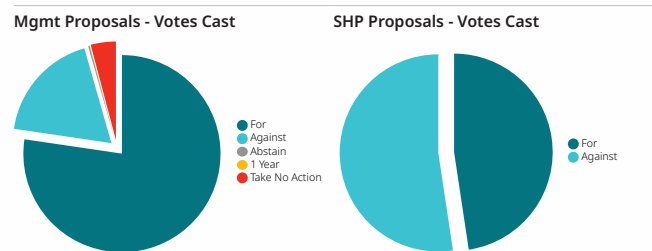
In 2025, BAM made an update to our proxy voting procedures such that we do not vote against certain directors if the company is not a UNGC participant or the company's human rights policy does not align with UDHR. In the previous year, BAM changed our procedures such that we voted against all shareholder proposals where the proponent is anti-ESG in nature. Previously we were voting in favour of these proposals on a case-by-case basis.

Proxy Voting Summary

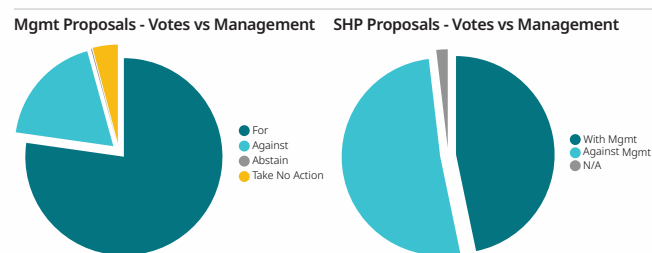
Over the past 12 months to 31 December 2025, BAM's global equities investment team voted on a total of 1,415 proposals at all AGMs. We voted against management recommendations 239 times, or 18% of all management proposals. We also supported 55 out of 105 shareholder proposals, or 52% of all shareholder proposals.

From 1/1/2025 to 12/31/2025

	Mgmt Proposals	SHP Proposals	Total Proposals
For	1013	50	1063
Against	239	55	294
Abstain	3	0	3
1 Year	1	0	1
2 Years	0	0	0
3 Years	0	0	0
Mixed	0	0	0
Take No Action	54	0	54
Unvoted	0	0	0
Totals	1310	105	1415



	Mgmt Proposals	SHP Proposals	Total Proposals
With Management	1012	60	1072
Against Management	242	43	285
N/A	2	2	4
Mixed	0	0	0
Take No Action	54	0	54
Unvoted	0	0	0
Totals	1310	105	1415



Source: Glass, Lewis & Co., LLC, December 2025

Breaking down our votes by Proposal Categories, we voted for 6 shareholder proposals regarding executive compensation, 8 shareholder proposals regarding the environmental disclosure, 19 shareholder proposals regarding governance, and 17 shareholder proposals regarding social issues.

From 1/1/2025 to 12/31/2025

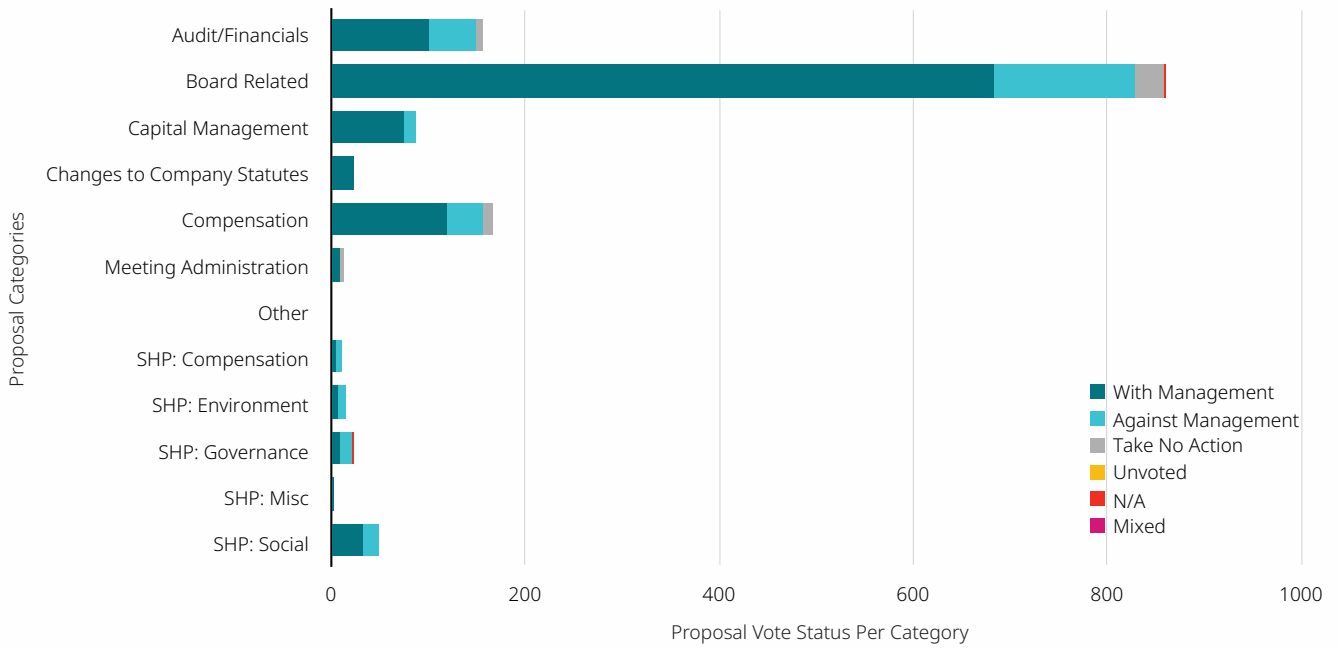
Proposal Categories - All Votes

Proposal Category Type	For	Against	Abstain	"Take No Action"	Unvoted	Mixed	1 Year	2 Years	3 Years	Total
Totals	1063	294	3	54	0	0	1	0	0	1415
Audit/Financials	101	47	0	8	0	0	0	0	0	156
Board Related	684	143	3	31	0	0	0	0	0	861
Capital Management	75	11	0	1	0	0	0	0	0	87
Changes to Company Statutes	23	0	0	0	0	0	0	0	0	23
Compensation	119	37	0	10	0	0	1	0	0	167
Meeting Administration	10	0	0	4	0	0	0	0	0	14
Other	1	1	0	0	0	0	0	0	0	2
SHP: Compensation	6	6	0	0	0	0	0	0	0	12
SHP: Environment	8	7	0	0	0	0	0	0	0	15
SHP: Governance	19	5	0	0	0	0	0	0	0	24
SHP: Misc	0	4	0	0	0	0	0	0	0	4
SHP: Social	17	33	0	0	0	0	0	0	0	50

Source: Glass, Lewis & Co., LLC, December 2025.

We voted against 143 directors up for nomination, primarily due to the director being over-boarded or the company having insufficient female director representation; 37 remuneration-related (management) proposals; and 47 appointments of auditors, primarily due to excessive tenure.

Proposal Categories - Votes versus Management



Source: Glass, Lewis & Co., LLC, December 2025.

We disclose our proxy votes for every investment holding proposal on a rolling twelve month basis on our website which can be found here: <https://www.bellasset.com.au/about-us/how-we-manage-global-equities#esg>

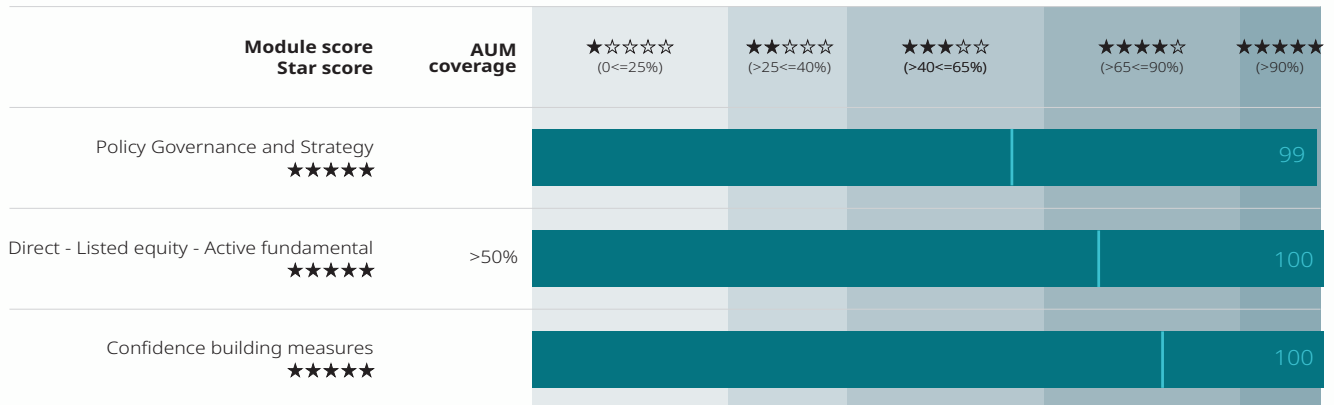
External Assessment

UNPRI

BAM has been a member of the UN PRI since 2014. In the UN PRI November 2024 assessment of our global equities strategies, we received a “5-star” rating across the three modules that we were assessed on. We received 100% in the Confidence Building Measures module, 100% in the Direct - Listed Equity - Active Fundamental - Incorporation module, and 99% in the Policy Governance and Strategy module. In 2025, we were not required to complete the fulsome assessment, however we filled out the public transparency report which is available on our website. We regard our UNPRI rating as strong validation of our ESG-related focus.

Summary Scorecard

■ PRI Median ■ Module Score



Source: UN PRI.

Source: UN PRI.

UNPRI's 2024 Assessment and Transparency Report and 2025 Transparency Report are available on our website.

RIAA

Bell Asset Management has been awarded the Responsible Investment Leader designation for four consecutive years in respect of our global equities strategies. The RIAA Responsible Investment Leader designation recognises the top 20% of investment managers in Australia and New Zealand who demonstrate the highest levels of commitment to responsible investing across their entire organization. Unlike product-specific certifications, this “whole-of-manager” status is based on a rigorous scorecard that assesses ESG integration, active stewardship, and transparency in reporting societal outcomes.

Morningstar ESG Rating

The following BAM Funds utilising our global equities strategies are rated on Morningstar's website and can be found here:

Bell Global Equities Fund (managed in accordance with the Global Core strategy): <https://www.morningstar.com.au/investments/security/fund/16705/sustainability>

Bell Global Emerging Companies Fund (managed in accordance with the Global SMID strategy): <https://www.morningstar.com.au/investments/security/fund/19696/sustainability>

Bell Global High Conviction Fund (managed in accordance with the High Conviction strategy): <https://www.morningstar.com.au/investments/security/fund/44382/sustainability>

Recent ESG Enhancements

ESG Engagements by BAM's global equities investment team

Engagement Process

Recent engagement summary: Over the 12 months to 31 December 2025, the BAM global equities investment team undertook over 775 engagements with companies. Specific ESG related issues were addressed in over 160 meetings, and of these ~50% related to environment, ~25% to social and ~25% to governance. Additionally, we also continue to be active members contributing to 5 collaborative engagements (one additional engagement concluded mid reporting year).

Internal Research: Once a company has passed our initial universe screen (15% ROE hurdle, minimum \$1 billion market capitalisation and our global equities ESG exclusions), the investment team performs bottom-up research to determine if these companies actually meet our "Quality" definition. The team analyses six "Quality Factors" and all must be passed by all companies, one of which is ESG. The analysis includes an ESG materiality assessment which is an internally developed tool to assist the investment team to focus engagements around key opportunities and/or risks specific to each company.

Public documentation and external research providers: Generally, the investment team will begin the research process using widely available information (for example, company filings/calls/presentations, sell-side research and industry research). This will generally include ESG/Sustainability reports released by the company as well as independent research from providers such as MSCI ESG Research, research provided by our proxy provider Glass Lewis (which also incorporates ESG information from Sustainalytics) and ISS.

One-on-one meetings with the company and external providers: We utilise our own proprietary ESG materiality matrix based on SASB that identifies key ESG risks and opportunities and how the company is addressing them. We use this research as a base to understand the key ESG-related topics (both the risks and often times the business drivers) that we need to engage directly via one-on-one meetings with the company.

Ongoing escalation and monitoring: If we cannot gain comfort on any topic or if we require further information, we have ongoing engagement. On many occasions this is when we will escalate our discussion to an ESG/Sustainability representative of the company. Over the past twelve months, we escalated engagement to company senior management on 25 occasions. We consider ourselves to be long-term shareholders, therefore we do follow the progress over time.

External collaborations: We believe our engagements are very important in raising awareness with companies and can influence positive outcomes. We also believe that collaborative engagements can often lead to better and/or faster positive outcomes rather than purely through direct engagement. This is the fundamental reason why we have participated in several engagements in the past and will continue to do so in the future.

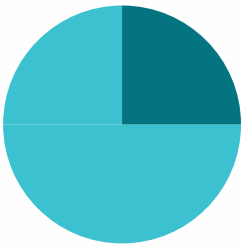
Engagement with Industry and Government Organisations: BAM participates actively in various Industry and Government organisations which allows BAM direct input and information on financial services policy and regulations. More information regarding this work can be found below under "Engagement with Policymakers".

Influence and outcomes: We are highly encouraged by the continued improvement we see in company disclosure, reporting, alignment to UN SDGs, Company Greenhouse Gas Emissions (GHG) reduction targets as well as the introduction or enhancement of ESG alignment through targets, KPI's and remuneration policy. BAM believes ongoing engagement does influence the outcome and raise the ESG bar at a company and portfolio level. This is further evidenced over time by the increasing ESG score of our Index benchmarks (e.g. MSCI World Index) and more importantly the ESG score of our portfolios, which is well above their respective benchmarks.

Goals, Progress: Each engagement has a goal which may include managing ESG related risks/opportunities or delivering sustainable outcomes. The progress of the engagement is tracked using milestones: BAM's concerns raised with the company, company acknowledges the concern, company develops a roadmap to achieving a related objective or target, the company implements the strategy to address the concern.

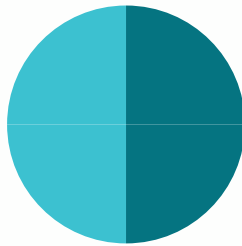
We classify the progress of all engagements into 4 categories. They are:

Stage 1 of 4



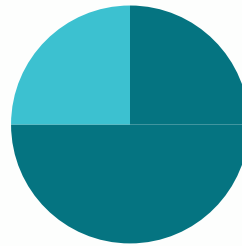
Initial Engagement

Stage 2 of 4



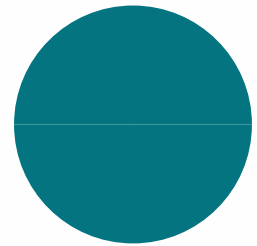
Company Acknowledgement

Stage 3 of 4



Company Initiates Strategy

Stage 4 of 4



Company Implements Strategy

Over the past 12 months to 31 December 2025, BAM's global equities investment team have continued to engage with companies on a variety of ESG-related topics. Below are various examples of completed and ongoing engagements.

Coloplast

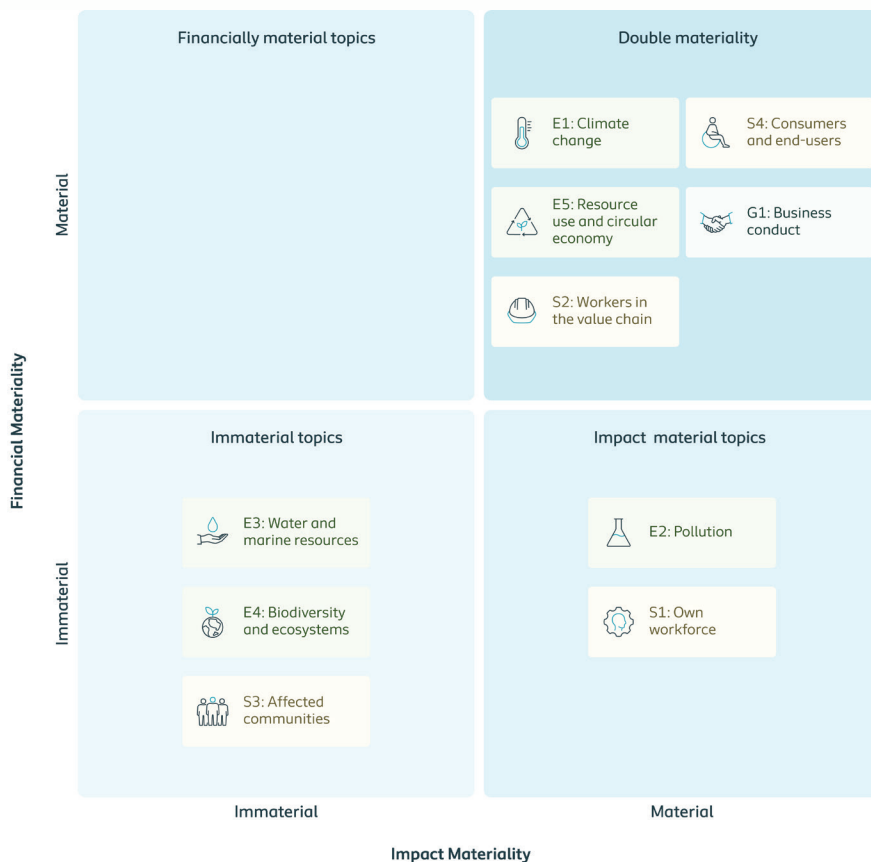
Factors: Environmental, Social and Governance

Stage: Initial Engagement



The BAM global equities investment team have been long term holders in Coloplast, having owned the company at various points over the past 20 years. Our most recent ESG engagement took place in March 2025 at the Bernstein ESG conference in a dedicated meeting with management. We focused on decarbonising manufacturing energy use, product quality and safety following the recent recall, status of legacy transvaginal mesh litigation, management of Scope 3 supplier emissions and CSRD readiness. These issues were broadly lined up with Coloplast's own materiality assessment.

Overview of material ESRS



Source: Coloplast 2025 Annual Report

Management highlighted measurable progress in the energy transition through electrification initiatives, greater use of district heating in Denmark and ongoing exploration of power purchasing agreements (PPAs). They acknowledged slower progress at the Hungarian site due to local market constraints, which we see as an area to monitor. Product quality systems were discussed in detail, given they had recently had another product recall for a product in the neurology business. Mesh related litigation is now largely closed, with only limited residual cases outstanding. On CSRD, Coloplast appears well advanced, supported by integrated reporting, upgraded systems and additional resources, with active board oversight. Supplier emissions management remains a developing area. While Coloplast is providing tools and support to smaller vendors, expectations and formal accountability mechanisms continue to evolve and will be a focus of our future engagement.

In addition, later in the year, we reflected our governance concerns through proxy voting. We voted against Coloplast’s remuneration report due to what we view as an excessive severance payment made to the former CEO, which we thought did not align with best practice or pay-for-performance principles. We also remain concerned the current long-term incentive plan lacks sufficiently robust performance hurdles, weakening the link between long-term value creation and reward. We have communicated these views to the company and will continue to engage for meaningful improvements.

Costco

Factor: Social

Stage: Ongoing engagement



We engaged with MSCI to challenge elements of Costco’s ESG scoring, focusing primarily on supply chain labour standards, controversy treatment and labour management assessments. We questioned why Costco is assigned the same maximum exposure score as Walmart despite materially different business models and SKU breadth, and why companies such as Dollarama and Dollar General, which source very low-cost goods largely from developing markets, appear to be assessed as having materially lower risk exposure. We also queried the magnitude of controversy deductions applied to Costco given the limited evidence base and management’s demonstrated controls. We consider Costco’s labour management practices and employee outcomes to be best-in-class in US retail.

MSCI’s responses largely reiterated the current methodology rather than engaging substantively with the business-model nuances raised. Their justification rested heavily on estimated revenue from private-label goods sourced from developing markets and the presence of multiple controversies, along with the absence of globally comparable SKU or supplier data. In our view, this did not adequately address core questions around relative risk between Costco and lower-cost discount peers, nor did it reflect the strength of Costco’s employer proposition and labour outcomes beyond narrow disclosure metrics. Overall, we were not satisfied that the explanations demonstrated sufficient depth of company-specific research or consideration of economic reality, and we will continue pressing for improvements in how qualitative risk factors and business-model differentiation are incorporated into ESG scores.

SAP

Factor: Social, Environment

Stage: Company initiates strategy



We met with SAP earlier in the year to discuss its approach to artificial intelligence, with a focus on governance and ethical use. Our engagement built on our broader participation in the World Benchmarking Alliance’s Collective Impact Coalition on Ethical AI. We centred our discussion on how SAP’s stated AI principles are implemented in practice, how oversight operates across the organisation and how this is reflected in real products and customer use cases.

Management noted that AI has been embedded in SAP products for many years and that recent restructuring is intended to capture additional opportunities in generative AI. The stated objective is to free employee capacity for higher value tasks rather than reduce headcount. Ethical AI is positioned as integral to product development, supported by due diligence and governance structures that have been recognised by the WBA (SAP scored 48/200 in the WBA’s Digital Inclusion survey 2023).

Measurement Area	Score (0-2)	Rank (0-200)
Access	0.7 /2	#74
Skills	1.1 /2	#17
Use	0.8 /2	#90
Innovation	1.3 /2	#35
Core social indicators	0.8 /2	#43

#1 - Indicates the scale for the top performing company

Source: World Benchmarking Alliance <https://www.worldbenchmarkingalliance.org/publication/digital-inclusion/companies/sap-3/>

We explored how this translates operationally. Practical examples included AI tools that simplify HR goal setting, address routine investor relations queries and support internal knowledge retrieval, helping to reduce repetitive work. SAP also indicated that it has declined certain customer requests where it identified ethical risk, such as social tracking of employees, and stated that it is cautious about deploying fully autonomous AI agents, preferring a gradual approach. Overall, we viewed SAP as having a clear framework for ethical AI with credible implementation, while recognising the need for continued monitoring as adoption scales.

We also discussed e-waste management and oversight of IT asset disposal partners. Management said suppliers are required to adhere to the SAP Supplier Code of Conduct, which covers labour, health and safety and environmental standards, with additional certifications such as ISO 14001 in some areas. Most e-waste is processed through two primary global partners, Computacenter and SIMS, which publish their own sustainability reporting. This is broadly consistent with industry practice, although we encouraged SAP to keep strengthening monitoring and assurance, given the inherent risks in global e-waste value chains.

Moncler

Factor: Social, Environment
Stage: Company initiates strategy



We engaged with Moncler’s Head of Sustainability in June 2025 on various issues including circularity, supply chain responsibility and workforce practices.

Management highlighted a focus on product life extension and progress on down recycling through the NGO and university backed RIST protocol, together with strong traceability across down sourcing, primarily from Europe and China. Moncler also outlined tangible improvements in supply chain oversight, including a material increase in external audits in 2024 and ongoing implementation of a living wage program that currently covers around 60,000 workers, with roughly 80% already aligned to living wage standards despite inflationary pressures in certain sourcing countries such as Turkey.

Be Fair



>95% of “critical suppliers” aligned with the highest levels of the Moncler Group’s social and environmental compliance standard

Target on time

At least 80% of “critical suppliers” aligned with the highest levels of the Moncler Group’s social and environmental compliance standard.

86% of “critical suppliers” evaluated and involved in a living wage analysis

Target on time

By 2025, 100% of “critical suppliers” involved and evaluated in a living wage analysis.

Awareness-raising activities on suppliers aimed at promoting the importance of certification processes about health, safety and environmental topics

Target achieved

Source: Moncler Consolidated Sustainability Statement 2024

Workforce engagement and DEI programs appear well embedded, supported by regular employee surveys and generally positive feedback. We encouraged clearer disclosure as forthcoming EU circularity KPIs are finalised and regulatory expectations evolve, particularly around measurable progress on recycling outcomes and workforce wage alignment.

Houlihan Lokey

Factor: Social, Governance

Stage: Ongoing engagement



Houlihan Lokey

We invested in Houlihan Lokey in 2023, noting at the time that its formal ESG journey was at an early stage, having published its first sustainability report in 2021. Since then, the company has made encouraging progress including internal inclusion initiatives, with membership across employee communities growing by approximately 9 per cent, including Women@HL, HL Pride, the Houlihan Black Alliance, Asian and Pacific Islander groups, Parents and Caregivers, and Veterans. Highlights included the “Together We Thrive” all-communities panel, the “Women@HL on Tour” programme engaging more than 270 employees across seven offices, and the “Stronger Together” seminar held during Juneteenth and Pride Month.

From an investment perspective, D&I considerations are taken into account during our ‘quality’ assessment where we investigate ESG factors prior to making an investment. We recently engaged with Houlihan Lokey at the most recent AGM, where we voted against the re-election of Paul Zuber due to his role on the nominating and governance committee amid poor diversity disclosure, insufficient female representation on the board, and limited oversight of environmental and social issues. We also voted against the advisory resolution on executive compensation, reflecting the absence of any explicit linkage between remuneration and sustainability objectives.

Despite the progress made, Houlihan Lokey does not currently disclose key workforce diversity metrics across executive, management, professional, and broader employee groups. We will continue to engage with Houlihan Lokey to help improve transparency around diversity outcomes, strengthen board-level ESG oversight, and encourage clearer alignment between executive incentives and sustainability objectives.

LVMH

Factor: Environment

Stage: Company initiates strategy

LVMH

We engaged with LVMH in May 2025 to discuss a range of issues, including supply chain transparency, Scope 3 emissions, and biodiversity and natural resource management. Management highlighted progress on traceability across key raw materials, including cotton, leather, wool, and wine and spirits inputs. Programs such as Life360 work with farmers to improve soil health and environmental practices, while origin mapping and monitoring tools are being scaled. Traceability is more advanced in divisions with dedicated suppliers, but challenges remain in ready-to-wear, and continued oversight of smaller suppliers will be needed to meet Scope 3 targets.

On biodiversity and natural resource management, LVMH emphasised that water stress, deforestation, and ecosystem impacts represent the most material ESG risks. Initiatives include zero deforestation by 2025, ecosystem rehabilitation targets by 2030, and the Resilient Threads program to safeguard cashmere supply and improve farmer and animal resilience. Efforts to reduce water footprints in high-stress regions, such as California vineyards, are ongoing, with localised interventions tailored to regional climate conditions. While progress is tangible and targets are ambitious, continued engagement will be important to monitor outcomes and ensure sustainable sourcing practices are effectively implemented.

Collaborative Engagements

Collaborative Engagement Examples

- WBA's CIC for Ethical AI
- KnowTheChain
- CDP's Non-Disclosure Campaign
- UN PRI's Tax Reference Group
- UN PRI's Global Policy Reference Group
- PRI Circular Economy Reference Group (closed July 2025)

WBA's CIC for Ethical AI

During 2024 and 2025, BAM remained an active participant in Phase 2 of the World Benchmarking Alliance (WBA)'s Collective Impact Coalition (CIC) for Ethical AI. This coalition, endorsed by the PRI and led by Candriam and Boston Common Asset Management, was established in 2022 to bridge the transparency gap in the digital technology sector. It has now grown to 77 members, including 64 institutional investors managing over USD 11 trillion in assets, alongside a coalition of civil society organizations.

The coalition's primary objective is to press the world's most influential digital technology companies to adopt and operationalise ethical AI principles rooted in human rights. It specifically asks that companies implement and publicly disclose:

1. A set of ethical principles guiding the development, deployment, and procurement of AI tools.
2. Strong AI governance and oversight across the entire value chain.
3. Specific implementation tools and programs relevant to the company's business model.
4. Robust impact assessment processes, emphasizing Human Rights Impact Assessments (HRIAs) in high-risk use cases.

The 2025 Progress Report, titled *Plugging the AI Transparency Gap*, captures three years of collective action. It marks a significant turning point as the coalition transitions from securing high-level commitments to demanding verifiable implementation and accountability. While Phase 1 (launched in 2022) focused on engaging 44 companies that lacked public principles, Phase 2 has moved toward measurable assessments of AI practices.

BAM has been actively involved in this transition. As part of our engagement efforts:

- **TSMC:** As lead investors, we sought insights into TSMC's position within the AI supply chain. TSMC highlighted the challenges of limited control over the end-use of chips manufactured for a diverse range of customers, noting the difficulty in tracing applications for standard semiconductor products.
- **Tencent:** Supporting our engagement with Tencent, we reviewed their commitment to the "Four AI Principles" (available, reliable, comprehensible, and controllable).
- **Collaboration:** We also attended workshops with other investors to discuss engagements with broader investment holdings, including Microsoft.

We believe that closing the AI transparency gap requires this coordinated, evidence-based advocacy to ensure that innovation advances human dignity and equity.

KnowTheChain

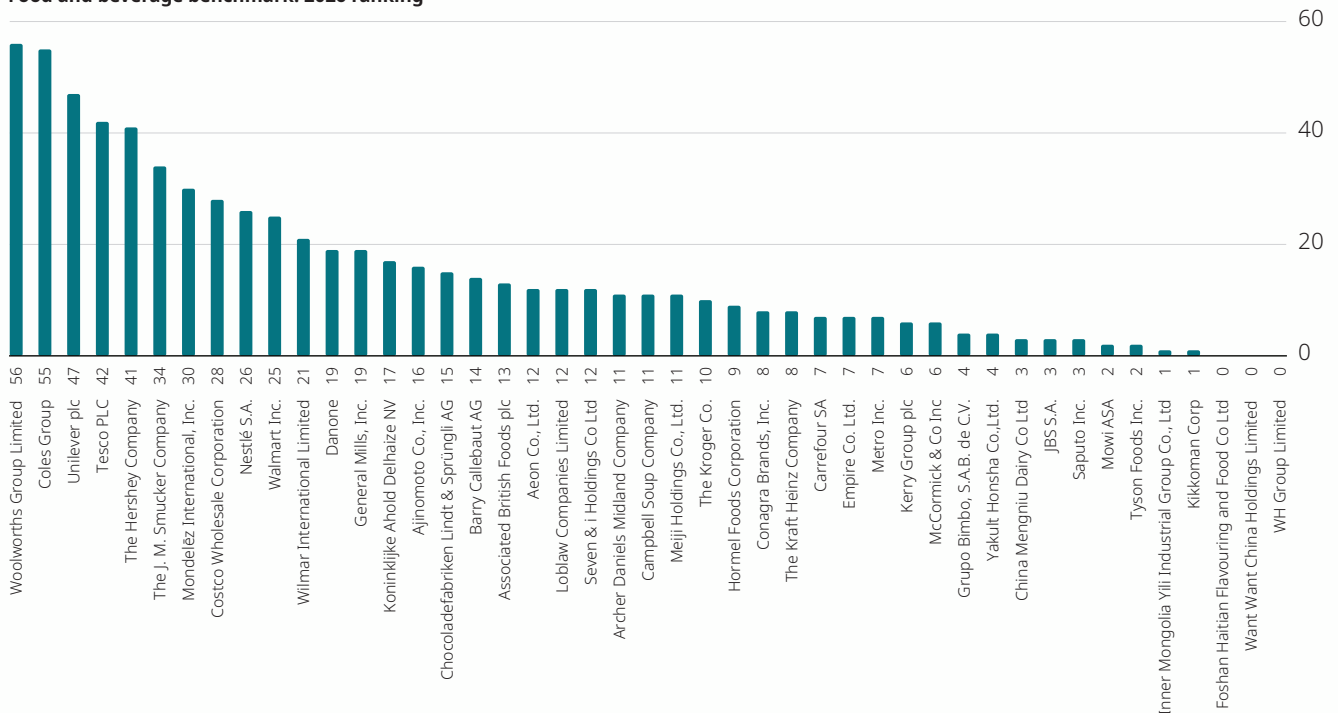
BAM has been a signatory to and actively involved in the "KnowTheChain" collaborative engagement since 2019. Our participation supports the eradication of forced labour (UN SDG 8.7) and promotes responsible business conduct as outlined in the OECD guidelines. BAM's global equities investment team utilises KnowTheChain's benchmark ranking systems to identify comparable risks and enrich our direct engagements with management.

In February 2026, KnowTheChain published its latest benchmark for the Food & Beverage sector, exposing an industry that remains largely ill-equipped for the intensifying human, legal, and financial consequences of forced labour. Key findings from this latest sector review include:

- The average overall score across the sector was just 15/100, a decline from 2023 levels. Nearly half of all benchmarked companies failed to score above 10/100, signalling widespread apathy regarding systemic drivers of worker exploitation.
- We were encouraged to see that our Australian holdings, **Coles** and **Woolworths**, were the only two companies in the benchmark to score above 50%, with Woolworths maintaining its leading position from the previous cycle. Other holdings, including **Costco**, showed significant improvement to reach the top 10.
- The benchmark highlighted significant deficiencies in responsible purchasing practices (3/100) and remedy processes (5/100). Furthermore, only 24% of companies disclosed any engagement with affected rights holders or trade unions.
- The results demonstrated that companies in jurisdictions with mandatory due diligence requirements, such as Australia (averaging 56/100), significantly outperformed peers in regions without such frameworks.

BAM's global equities investment team continues to use these indices to incentivise leadership and address material supply chain risks with companies in our portfolio that scored below the industry average, ensuring they are taking necessary actions to improve their human rights due diligence. We evaluate these supply chain risks when conducting our ESG Materiality Assessment which carries weight in determining whether we would consider the company for investment.

Food and beverage benchmark: 2026 ranking



Source: KnowTheChain, February 2026.

CDP's Non-Disclosure Campaign

BAM has been a signatory to the Carbon Disclosure Project since October 2023. CDP's climate change questionnaire collects climate-related data from the world's largest companies on behalf of over 680 institutional investor signatories with a combined US\$130 trillion in assets.

In 2025, BAM's global equities investment team participated in the CDP Non-Disclosure Campaign (NDC), which included 223 signatories representing nearly US\$23 trillion in assets. The 2025 campaign targeted 1,314 companies from a pool of over 4,200 non-disclosers, representing approximately 12% of global GDP. The campaign demonstrated that proactive engagement by financial institutions is a critical driver of transparency; companies engaged during the campaign were 2.4x more likely to disclose on climate change, 2.9x more likely to disclose on forests, and 2.1x more likely to disclose on water security compared to a control group.

Looking forward to 2026, we intend to participate in the NDC's 10th anniversary cycle. This upcoming campaign will focus on expanding its reach to over 22,000 companies that failed to disclose in 2025. Key adjustments for the 2026 cycle include a focus on simplifying and automating components of the campaign and prioritising engagements with companies that have not disclosed at all across any environmental issue. We remain committed to using the CDP's dynamic reporting portal to track disclosure progress and encourage our portfolio companies to provide the critical environmental information necessary for robust investment analysis.

PRI Tax Reference Group

We have been members of the PRI Tax Reference Group since its inception in June 2022, and prior to this a similar PRI-sponsored collaboration regarding global corporate tax since 2018. The PRI has identified tax fairness as a priority issue for investors and has committed to providing further resources, as outlined in their three-year 2021-2024 strategy. The lack of corporate disclosure on tax issues is a key impediment for investors that want to understand companies' positions on tax issues and assess tax risks in their portfolio.

The PRI Tax Reference Group is a voluntary collaborative group, comprising of members from PRI signatories.

The Tax Signatory Reference Group will work to:

- Provide an opportunity to meet interested parties and actors, and to express and be exposed to different viewpoints regarding corporate tax.
- Refine signatories' awareness and understanding of the impacts, risks and opportunities surrounding tax.
- Provide investors with knowledge and increased confidence to incorporate tax related issues into their stewardship practices.

So far, the collaboration has actively engaged with companies such as Amazon, Cisco and Microsoft, all global equities strategy holdings of BAM, on improving their corporate tax disclosure.

We have changed our proxy procedures as a direct result of our participation in this collaborative engagement. In 2023, we added the following proxy procedure that BAM will vote in favour of all shareholder proposals regarding companies reporting on tax transparency in line with the GRI Tax Standard.

PRI Global Policy Reference Group

We have been members of the PRI Global Policy Reference Group (GPRG) since July 2022. The PRI invited Matt Saddington to the working group due to his strong interest in providing input into the PRI's policy submissions. The GPRG is the PRI's primary forum to engage with signatories on the challenges and opportunities presented by existing responsible investment policies and through which the PRI seeks feedback on their draft policy positions and responses.

PRI Circular Economy Reference Group

This collaborative working group was founded in March 2023 as a continuation of the PRI Plastics Working Group, that we have been members since April 2020. The group's primary objective was to raise investor awareness of the impacts, risks, and opportunities surrounding plastic production, waste, and pollution while exploring how these can be managed across a wider range of value chains.

In early 2025, the Circular Economy Reference Group reached a natural conclusion to its work and was disbanded. During its tenure, the group achieved significant milestones in which BAM was an active participant, including:

- **Investor Research:** Contribution to research on priority value chains for the circular economy, specifically focusing on critical minerals and the built environment.
- **Capacity Building:** Attendance at workshops dedicated to understanding circular economy roles across plastics and critical minerals.
- **Global Policy Engagement:** Consistent participation in the UN Global Plastics Treaty process, including the endorsement of the 'Finance Sector Statement calling for an end to plastic pollution'. BAM joined 180 financial institutions in calling for the incorporation of plastic pollution risks into investment decision-making and stewardship.

Going forward, the PRI has integrated circular economy work into its three priority systemic sustainability issues: climate, nature, and human rights. We remain committed to these objectives, particularly as many of our holdings, primarily within the consumer-packaged goods industry, have significant exposure to the plastics value chain. We will continue to engage with these companies regarding their transition to circular business models as part of our broader climate and nature strategies.

Engagements with Policymakers

BAM's global equities investment team have participated in several engagements with policymakers in 2025.

One of the ways that we engaged with policymakers and the broader investment ecosystem in 2025 was through direct consultation with academic institutions and industry bodies on the evolution of sustainability reporting:

- **Swinburne University of Technology Consultation:** In February 2025, three members of our investment team consulted with Swinburne University on investor perceptions regarding the connectivity between sustainability disclosures and financial statements. Our feedback focused on the integration of climate- and nature-related risks within annual reports, the preferences of buy-side analysts for specific sustainability metrics, and the importance of robust assurance for sustainability-related disclosures. We also provided insights into how professional investors synthesise ESG data with traditional financial information when evaluating corporate performance.
- **PRI Sustainability and Analysis Survey:** Our team contributed to a targeted survey by the Principles for Responsible Investment (PRI) Sustainability and Analysis Team. The input provided aimed to help the PRI understand which sustainability issues and outputs matter most to signatories, helping to shape their wider work and highlight the broader priorities of organisations like ours across the sustainability agenda.
- **Academic Research on Disclosure Quality:** We participated in joint research conducted by Cornell University and Brigham Young University focused on how investment professionals view the quality of public company disclosures. By sharing our experience, we helped inform academic study into the effectiveness and reliability of current corporate reporting frameworks.
- **MSCI ESG Rating Consultation:** MSCI regularly enhances their company ESG ratings methodology. In May 2025, we participated in their 2025 consultation, providing our feedback on their proposed changes. As having MSCI ESG company ratings as one of our primary ESG strategy outcomes, we think it's imperative to participate in how these company ratings are generated and refined.
- **Melbourne Business School Consultation:** In December 2025 we participated in Melbourne Business School's survey on Sustainable Value Creation. The survey aimed to generate evidence-based insights to help leaders design and implement sustainable strategies, guide long-term investments and foster collaboration between business, investment and policy communities.
- **Imperial College Nature Investment Survey:** We participated in the Imperial College's survey in April 2025. The survey's aim was to gather insights to guide research and solutions for better integrating nature into financial decision-making on a global basis. Nature is the "new climate", and investors and regulatory authorities are pushing for biodiversity to become part of risk and opportunity considerations of capital markets. The study aimed to document how the geographical dispersion and belief of biodiversity risk affect the motivation and investment styles of investors. The survey also sought to understand, on the one hand, investors' motivations for integrating (or not) nature considerations into their strategies, and on the other asked investors about their perceptions of risks and asset pricing and if these vary by sector.

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