

Responsible Investment Policy

20 October 2025

Signatory of:

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1 INTRODUCTION

The purpose of this Policy is to articulate PM Capital's policy and views on '**Responsible Investment**'. PM Capital considers Responsible Investment to be a 'common-sense consideration' when assessing existing and prospective investments.

It is apparent that there has been a major upwelling in lobby groups and organisations researching, collating and distributing information within the Responsible Investment field, as well as an increasing public awareness of environmental, social and governance (**ESG**) issues that may impact investment performance. This has led to investors being increasingly aware of the link between a company's sustainable practices and long-term profitability.

As such, PM Capital has sought to extract Responsible Investment components and document them in a practical and efficient manner. We do recognise that, to review a position as a Responsible Investment, ESG factors should be considered as part of an overall assessment of a company's risk management framework to the extent that these may impact the value of the company over time. In our quest for a portfolio of good quality businesses, sustainability issues are inherently analysed. **Appendix A** to this Policy provides a summary of (but is not limited to) ESG factors that may form part of PM Capital's consideration of a company's risk management framework for existing / prospective investments.

This Policy will be continually developed and enhanced over time.

PM Capital considers 'Responsible Investment' to be an investment process that considers the governance, social and environmental consequences of investments, both positive and negative, within the context of rigorous financial analysis.

2 PM CAPITAL'S PHILOSOPHY ON RESPONSIBLE INVESTMENT

PM Capital is an active investment manager and an absolute return manager. Examination of ESG factors assists PM Capital in its review and analysis of investment qualities that exhibit a socially responsible investment.

PM Capital seeks to incorporate a common sense, case by case qualitative approach to assessing individual corporate ESG performance. PM Capital does not have a predetermined view on what considerations and standards it will take into account when making investments for the funds it manages (**Funds**).

PM Capital does not apply a set methodology for taking ESG standards and considerations into account when making investment decisions for the Funds and has no set approach to monitoring or reviewing these standards. PM Capital does not use a weighting system to apply a weight to ESG standards and considerations and does not rely on sustainability metrics or third-party ESG datasets. Additionally, PM Capital does not have a fixed timeframe for reviewing investments for ESG purposes. As such, PM Capital has no predetermined view about the extent to which labour standards or environmental, social or ethical considerations are taken into account.

PM Capital also has no predetermined view about what will or may occur when an investment is no longer consistent with its ESG policies.

2.1 Long Term Investor

Investors with a short-term focus may often have interests in companies which exploit opportunities that may, in fact, be detrimental to the company's shareholder value in the long term. PM Capital is committed to delivering long term investment performance.

Long term investors typically take much greater interest in ensuring that a company conducts its business operations in a sound and sustainable manner. PM Capital are true investors as opposed to traders, with an investment horizon of three to five years and beyond. As a long-term owner of businesses, this gives PM Capital the opportunity to engage meaningfully with them on ESG issues.

2.2 Absolute Returns and Active Manager

In contrast to passive or index investing, PM Capital's active and concentrated portfolio necessitates vigorous insight and analysis of a company's share price drivers and governance structures, as well as reviewing comparable metrics to other stocks within a portfolio or a mandate's universe. PM Capital is committed to active management of its investment positions.

3 TOOLS FOR TAKING MEANINGFUL ACTION WITHIN ESG

3.1 Screening

PM Capital has a policy of exclusion when we feel that a company or sector cannot, as a result of its primary business activities, be considered a Responsible Investment.

The exclusion of a stock or sector has a negligible effect on the size of the investable universe.

While we may exclude certain companies or sectors from time to time, we acknowledge that this may in the short-term affect investment performance on a relative basis. However, in the long term, we believe that the investment performance of quality business franchises will ultimately prevail and deliver above average shareholder value. Many people believe a negative screening process forces an unacceptable trade-off between ethical criteria and investment returns. For PM Capital, research of sustainability factors within the context of an effective company risk management framework plays a key role in achieving our primary aim – that is, to maximise long-term returns for investors over a three to five year period.

3.2 Corporate Governance

Proxy voting

PM Capital has a policy of using the Funds' voting power in general meetings of company shareholders to support or oppose resolutions as necessary to attempt to achieve a specific objective. PM Capital will generally oppose proposals such as:

- election of inappropriate directors, particularly where there is not a majority of independent directors, where Board quality is considered an issue, or where there has been excessive turnover of Board / senior executives;
- excessive remuneration arrangements, or a lack of alignment of executive incentive structures with that of shareholders and a company's operating performance; and/or
- appointment of auditors who are not independent.

Corporate engagement

PM Capital's investment team regularly meet with and/or engage operational management of companies that we invest in. We also engage Board members when deemed appropriate. We do not normally engage third parties to represent our views. The kinds of issues that might be raised with companies are:

- assessed gaps or flaws in a company's risk management framework;
- assessed weaknesses in Board composition;
- excessive executive remuneration arrangements;
- concerns about corporate governance practices;
- concerns about environmental practices; and
- concerns about social issues.

As such, consideration is given to analysing a range of sustainable business practices as well as the financial impact of a company's ESG factors, where deemed appropriate.

4 PM CAPITAL AND THE UNPRI

PM Capital acknowledges that the United Nations Principles for Responsible Investment (**UNPRI**) is a voluntary, aspirational initiative that provides a framework for integrating ESG considerations into investment decision-making. PM Capital regards Responsible Investment as an essential part of this process. We recognise that ESG factors, among other factors, may impact shareholder value and as such have chosen to be a signatory to UNPRI.

Appendix A – ESG factors

The following (non-exhaustive) factors may form part of our overall assessment of a company's risk management framework.

Environment

1. Sustainability Management Practices:
 - (a) explicit policy on sustainability practices / benchmarks; and
 - (b) monitoring / reporting of key sustainability issues to shareholders.
2. Carbon Emission Reduction Policy:
 - (a) explicit carbon emission reduction targets; and
 - (b) monitoring / reporting of carbon emission reduction performance (versus targets).

Governance

1. Board Structure
 - (a) Board independence (majority of directors);
 - (b) executive management representation; and
 - (c) major shareholder representation (including associates).
2. Operational Risk Management / Monitoring (among others):
 - (a) audit committee representation;
 - (b) remuneration committee representation; and
 - (c) other key operational committees (define as required).
3. Directors Remuneration:
 - (a) options issuance (not excessive, if at all); and
 - (b) alignment with shareholders' interests.
4. Executive Remuneration
 - (a) TSR/ROE-based incentives;
 - (b) alignment with shareholders' interests; and
 - (c) balance between Short Term Incentive and Long Term Incentive structures.

Social

1. Occupational Health & Safety (**OH&S**) Standards:
 - (a) explicit policy on management of key OH&S issues; and
 - (b) monitoring / reporting of OH&S issues to shareholders, including safety performance.
2. Child Labor Risk Management
 - (a) explicit policy on "supply chain" risk management practices and management of child labour risk; and
 - (b) monitoring and reporting on compliance with child labour standards to shareholders.
3. Other – define as required.