



PRIVATE TRANSPARENCY REPORT

2025

Pella Funds Management

Generated 24-11-2025

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2025 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Pella engages in responsible investment because it believes investors are part owners of the businesses they hold—and ownership entails responsibility for how profits are generated. Pella's mission is to help investors thrive without compromising the wellbeing of current or future generations. Responsible investment is the framework through which the firm balances financial returns with environmental sustainability, social wellbeing, and strong governance. To implement this mission, Pella applies multiple responsible investment strategies: ESG integration, negative screening, norms-based screening, and stewardship, alongside limited use of sustainability-themed and positive impact investing. These strategies are not treated as standalone tools but are layered to manage different risks and ethical considerations. For example, ESG integration may highlight companies with robust practices, but exclusionary screens eliminate exposure to activities that conflict with Pella's values—such as tobacco or weapons—even if such companies otherwise score well on ESG. Pella's exclusions include companies involved in uranium mining, fossil fuel extraction and power generation, deforestation of old-growth forests, weapons manufacturing or distribution, tobacco, alcohol, pornography, gambling, intensive animal husbandry, cosmetic testing on animals, GMO seed production, and for-profit prisons. Companies that breach international norms, including the UN Global Compact and OECD Guidelines for Multinational Enterprises, are also excluded. Within this defined universe, Pella applies its proprietary AGREE framework to integrate ESG risks and opportunities throughout the investment process—from screening and financial modelling to position sizing and risk monitoring.

ESG integration focuses on identifying companies with formal policies and demonstrated behaviours that manage material risks such as emissions, data privacy, product safety, and governance integrity. Stewardship is a key component of Pella's approach. All proxy voting is conducted internally, and the firm participates in every vote except in cases of technical failure. Pella also engages directly with companies on ESG issues. Notable initiatives include successfully encouraging multiple companies—such as ASML, Ashtead, and Samsung Electronics—to become UN Global Compact signatories.

In FY24, Pella submitted a petition to the US Securities and Exchange Commission seeking mandatory disclosure of tobacco-related revenue by listed retailers, and it plans to submit a shareholder resolution at Marsh & McLennan's 2025 AGM concerning fossil fuel disclosure practices. The firm has set clear portfolio-wide RI targets. At least 30% of the portfolio must be rated A or better by MSCI ESG, and 70% rated BBB or better. In FY24, 79% of holdings were rated A or higher, and 100% were rated BBB or above. Pella also targets a carbon intensity (Scope 1 and 2, relative to both sales and enterprise value) that is at least 30% lower than the benchmark.

As of June 2024, the Fund's carbon intensity was 77% lower relative to sales and 79% lower relative to enterprise value. Pella achieved carbon neutrality in 2023 and is currently pursuing Climate Active certification. Transparency is central to Pella's RI strategy. The firm publicly discloses its entire portfolio, makes its full UNPRI Transparency Report available without redactions, and releases a Monthly Sustainability Report with ESG scores, carbon metrics, and impact exposures. A Quarterly Investment Report covers stewardship activities and portfolio developments, while the Annual Responsible Investment Report provides a comprehensive review of RI implementation. Pella's responsible investment strategy is designed to be disciplined, transparent, and scalable. By integrating multiple RI approaches, the firm aims to manage material risks, express its values, and support long-term outcomes—financial and otherwise—for current and future generations.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

During the reporting year, Pella made substantial progress on a range of responsible investment initiatives, particularly in advancing transparency, formalising certification, and deepening ESG integration and stewardship. These milestones reflect not only implementation maturity but also a deepening of our conviction that responsible investment must be precise, structured, and aligned with long-term value creation. One of the most significant developments during the year was that Pella became a certified B Corporation. This certification process required a rigorous assessment of our governance, environmental and social practices, and overall transparency. Certification reinforces our commitment to balance profit with purpose and provides an independent verification of our organisational sustainability. Pella was also assessed by the Responsible Investment Association Australasia (RIAA) and classified as a Responsible Investment Leader—RIAA's highest designation. This outcome reflects strong performance across ESG integration, stewardship, organisational governance, and transparency. Additionally, the Pella Global Generations Fund received RIAA's "Sustainability Plus" product certification, recognising the fund's comprehensive use of multiple responsible investment strategies and its focus on delivering sustainability outcomes beyond ESG integration. Pella also achieved carbon neutral status during the reporting year. This aligns with our long-standing sustainability objective of operating with minimal environmental impact and holding our operations to the same standard we expect of portfolio companies. Our Monthly Sustainability Reports, launched in late FY23, have continued to mature as a practical and transparent mechanism for tracking ESG ratings, carbon intensity, and exposure to positive impact themes across the portfolio. These reports include a breakdown of revenue exposure to sustainability themes such as cleaner energy, conservation, and economic participation, distinguishing between companies with core versus incidental exposure. Portfolio ESG quality improved further. By year-end, 34% of the Fund was invested in companies with MSCI's highest ESG rating (AAA), while 96% of holdings were rated BBB or better. The fund maintains internal ESG thresholds to ensure a minimum of 30% A-rated holdings and no exposure to CCC-rated entities. One company—Vertiv Holdings—was downgraded from BBB to BB during the year. Under our policy, this triggered stewardship activity in the following quarter and we engaged with Vertiv to improve its rating. Pella's stewardship activities expanded both in scale and depth. We conducted internal voting on all shareholder proposals. Beyond voting, we continued direct engagements on a range of ESG topics. We also maintained active dialogue with multiple investees encouraging alignment with the UN Global Compact, with several (including ASML, Ashtead, and Samsung Electronics) becoming signatories following engagement and began engaging with our investments to become SBTi approved, if they weren't already. Pella joined Climate Action 100+ and was assigned to the Woolworths engagement working group. The experience has reinforced the importance of coordinated investor influence, and we have been encouraged by Woolworths' receptivity to improving its climate-related disclosures and practices. We also continued our regulatory engagement, including a petition to the US SEC seeking mandatory disclosure of tobacco-related revenue by listed retailers—an initiative motivated by both ethical concerns and the economic relevance of this often-hidden business exposure. Operationally, we continued our Pledge 1% commitment, volunteering one day per quarter across various charities supporting vulnerable populations, including the Jesuit Refugee Service, ReLove, Thread Together, and the One & All Hub. These engagements are not only expressions of our organisational values but a tangible way to legitimise the expectations we place on our investee companies. Overall, the year was one of consolidation and formal recognition. Becoming a certified B Corporation, attaining carbon neutrality, receiving RIAA Responsible Investment Leader and Sustainability Plus designations, and enhancing transparency and stewardship frameworks represent meaningful progress toward our broader objective: to deliver superior investment returns without compromising the environmental, social, or governance standards we expect from others.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Over the next two years, Pella intends to strengthen its commitment to responsible investment through a series of targeted initiatives focused on stewardship, transparency, environmental performance, and internal capability building. These initiatives build on existing practices and are designed to enhance the quality, consistency, and measurable impact of implementation. A key area of focus will be the expansion of Pella's stewardship activities. The firm will escalate engagement where material ESG issues remain unaddressed, including the use of shareholder proposals. Pella plans to submit a resolution at the 2026 Marsh & McLennan AGM requesting improved disclosure of fossil fuel-related emissions linked to its insurance broking business.

In parallel, we are engaging with selected portfolio companies to encourage the adoption of science-based emissions targets, and where possible, formal approval through the Science Based Targets initiative (SBTi). These engagements aim to ensure investees are aligning their emissions trajectories with the goals of the Paris Agreement, and we will prioritise companies with high carbon footprints or material exposure to transition risks. Pella also intends to enhance the scope and clarity of its positive impact reporting. Although the Fund is not marketed as a positive impact strategy, Pella discloses the proportion of portfolio revenue linked to sustainability themes such as renewable energy, conservation, and economic participation. Over the next two years, Pella will refine this framework by improving revenue attribution, distinguishing between core and incidental exposure, and expanding the list of impact themes where data allows.

Pella also continues to manage the Fund's carbon profile, with portfolio carbon intensity targets that are materially below the benchmark. As of the most recent quarter, the Fund's carbon intensity was 77% lower relative to sales and 79% lower relative to enterprise value. To ensure responsible investment is implemented with consistency, Pella will formalise an escalation framework for ESG controversies and underperformance. This framework will clarify how and when Pella engages, the criteria for escalation, and the conditions under which divestment or shareholder action may be appropriate. It will be embedded in internal policies and reviewed annually to ensure its continued effectiveness.

Collaboration remains another priority. Pella will deepen its involvement in investor coalitions, including Climate Action 100+, where it is currently a member of the Woolworths engagement group. We also intend to explore collaborative opportunities focused on biodiversity, deforestation, and enhanced ESG disclosures across emerging markets and supply chains. Internally, Pella will continue to invest in analyst training to support better ESG integration and engagement. This includes developing internal guidance on emerging topics such as AI risk, biodiversity impacts, and nature-based solutions, as well as providing structured refreshers on ESG data quality and interpretation. These steps reflect Pella's intent to deepen, not widen, its responsible investment approach: to improve the robustness and accountability of implementation, to deliver on its commitments with greater transparency, and to ensure long-term alignment between sustainability outcomes and financial performance.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Steven Glass

Position

Managing Director & Investment Analyst

Organisation's Name

Pella Funds Management

A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

B

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- (B) Directive on AIFM (2011/61/EU) [European Union]
- (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- (D) EU Taxonomy Regulation [European Union]
- (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- (F) IORP II (Directive 2016/2341) [European Union]
- (G) Law on Energy and Climate (Article 29) [France]
- (H) MiFID II (2017/565) [European Union]
- (I) Modern Slavery Act [United Kingdom]
- (J) PEPP Regulation (2019/1238) [European Union]
- (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- (M) SFDR Regulation (2019/2088) [European Union]
- (N) SRD II (Directive 2017/828) [European Union]
- (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- (P) Climate Risk Management (Guideline B-15) [Canada]
- (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- (U) SEC Expansion of the Names Rule [United States of America]
- (V) SEC Pay Ratio Disclosure Rule [United States of America]
- (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- (AA) Financial Markets Conduct Act [New Zealand]
- (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- (AE) Modern Slavery Act (2018) [Australia]

- (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- (AH) JSE Limited Listings Requirements [South Africa]
- (AI) Other
- (AJ) Other
- (AK) Other
- (AL) Other
- (AM) Other
- (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Additional context to your response(s): (Voluntary)

Pella is also a certified B Corporation, and operates within the regulatory constructs of B Labs

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

- (A) Asset Owners Stewardship Code [Australia]
- (B) Código Brasileiro de Stewardship [Brazil]
- (C) New Zealand Stewardship Code
- (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- (E) Stewardship Code [United Kingdom]
- (F) Stewardship Framework for Institutional Investors [United States of America]
- (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- (I) Luxflag ESG Label [Luxembourg]
- (J) RIAA Responsible Investment Certification Program [Australia]
- (K) SRI Label [France]
- (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- (M) Code for Institutional Investors 2022 [Malaysia]
- (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- (O) Corporate Governance Guidelines [Canada]
- (P) Defined Contribution Code of Practice [United Kingdom]
- (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- (V) Net Zero Asset Managers (NZAM) Initiative [Global]
- (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]
- (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- (AA) Global Reporting Initiative (GRI) Standards [Global]
- (AB) IFC Performance Standard [Global]
- (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- (AE) Other
- (AF) Other
- (AG) Other
- (AH) Other

(AI) Other

(AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

Provide context:

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	30	06	2025

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 125,210,122.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	100%	0%
(B) Fixed income	0%	0%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	0%
(J) Off-balance sheet	0%	0%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity 0%

(B) Active – quantitative 0%

(C) Active – fundamental 100%

(D) Other strategies 0%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity (3) >10 to 20%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

(1) Listed equity - active

- (A) Yes, through internal staff
- (B) Yes, through service providers
- (C) Yes, through external managers
- (D) We do not conduct stewardship

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

(1) Listed equity - active

- (A) Yes, through internal staff
- (B) Yes, through service providers
- (C) Yes, through external managers
- (D) We do not conduct (proxy) voting

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active

(11) >90 to <100%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(C) Listed equity - active - fundamental

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	100%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only 0%

(B) Negative screening only 100%

(C) A combination of screening approaches 0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

100%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications

Provide the percentage of total AUM that your labelled and/or certified products and/or funds represent:

100%

- o (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

- (A) Commodity type label (e.g. BCI)
- (B) GRESB
- (C) Austrian Ecolabel (UZ49)
- (D) **B Corporation**
- (E) BREEAM
- (F) CBI Climate Bonds Standard
- (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- (I) EU Ecolabel
- (J) EU Green Bond Standard
- (K) Febelfin label (Belgium)
- (L) Finansol
- (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- (N) Greenfin label (France)
- (O) Grüner Pfandbrief
- (P) ICMA Green Bond Principles
- (Q) ICMA Social Bonds Principles
- (R) ICMA Sustainability Bonds Principles
- (S) ICMA Sustainability-linked Bonds Principles
- (T) Kein Verstoß gegen Atomwaffensperrvertrag
- (U) Le label ISR (French government SRI label)
- (V) Luxflag Climate Finance
- (W) Luxflag Environment
- (X) Luxflag ESG
- (Y) Luxflag Green Bond
- (Z) Luxflag Microfinance
- (AA) Luxflag Sustainable Insurance Products
- (AB) National stewardship code
- (AC) Nordic Swan Ecolabel
- (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- (AE) People's Bank of China green bond guidelines
- (AF) **RIAA (Australia)**
- (AG) Towards Sustainability label (Belgium)
- (AH) Other

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here

Specify:

Guidelines on positive impact exposure

- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues
- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

(A) Overall approach to responsible investment

Add link:

<https://www.pellafunds.com/responsible-investing/>

(B) Guidelines on environmental factors

Add link:

<https://www.pellafunds.com/responsible-investing/>

(C) Guidelines on social factors

Add link:

<https://www.pellafunds.com/responsible-investing/>

(D) Guidelines on governance factors

Add link:

<https://www.pellafunds.com/responsible-investing/>

(E) Guidelines on sustainability outcomes

Add link:

<https://www.pellafunds.com/responsible-investing/>

(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)

Add link:

<https://www.pellafunds.com/responsible-investing/>

(G) Specific guidelines on human rights (may be part of guidelines on social factors)

Add link:

<https://www.pellafunds.com/responsible-investing/>

(J) Guidelines on exclusions

Add link:

<https://www.pellafunds.com/responsible-investing/>

(K) Guidelines on managing conflicts of interest related to responsible investment

(L) Stewardship: Guidelines on engagement with investees

Add link:

<https://www.pellafunds.com/wp-content/uploads/2025/05/Investment-Stewardship.pdf>

(O) Stewardship: Guidelines on (proxy) voting

Add link:

<https://www.pellafunds.com/wp-content/uploads/2025/05/Investment-Stewardship.pdf>

(P) Other responsible investment aspects not listed here

Add link:

<https://www.pellafunds.com/policies/>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

(A) Yes

Elaborate:

Pella’s formal Responsible Investment Policy explicitly recognises that responsible investment is not only compatible with, but integral to, meeting our fiduciary duty to act in the best long-term interests of clients. The policy states that environmental, social, and governance (ESG) factors can materially affect the financial performance of investments and must therefore be considered as part of prudent and disciplined investment management. This position reflects the view that fiduciary obligations encompass the identification and management of long-term risks—whether financial, regulatory, reputational, or systemic in nature—and that ESG risks fall squarely within this scope. The policy links responsible investment to our core investment objective: to generate attractive, risk-adjusted returns without compromising the wellbeing of current or future generations.

This formulation ties responsible investment to both financial and ethical imperatives, recognising that poor ESG performance can erode enterprise value, impair asset prices, and result in loss of capital. Examples include litigation related to poor product safety, stranded asset risk from unmanaged climate exposure, or reputational damage from human rights controversies in supply chains. In line with this view, Pella has embedded responsible investment across each stage of the investment process. Exclusionary screening removes companies engaged in activities that present unacceptable ethical or financial risks, including tobacco, fossil fuel extraction and generation, weapons, gambling, deforestation, and animal cruelty. Norms-based screening ensures compliance with international standards, including the UN Global Compact and OECD Guidelines for Multinational Enterprises.

These exclusions serve both to reflect the expectations of beneficiaries and to reduce long-term risk exposure. Pella also implements ESG integration through fundamental research and portfolio construction. ESG considerations are factored into qualitative assessments of company behaviour, governance quality, and risk management, and these inputs influence position sizing and investment approval. Minimum ESG thresholds are applied at the portfolio level to safeguard overall quality—specifically, at least 30% of the portfolio must be rated A or above by MSCI ESG, and no holdings may be rated below BBB. In FY24, 79% of the portfolio met the A-rating threshold, and 100% was BBB or above.

Climate-related risks are a further example of how fiduciary obligations and responsible investment are aligned. Pella sets explicit carbon intensity targets for the portfolio—at least 30% lower than the benchmark on both sales- and enterprise value-adjusted measures. As of June 2024, the portfolio’s carbon intensity was 77% lower than the benchmark relative to sales, and 79% lower relative to enterprise value. These targets are not framed solely as sustainability goals, but as safeguards against regulatory tightening, cost volatility, and reputational harm in a decarbonising global economy. Pella has also achieved carbon neutral certification from the Australian Government, reflecting the same expectations it places on investee companies.

Stewardship is treated as a fiduciary function as well. All proxy voting is conducted internally, with the aim of promoting better governance, sustainability, and long-term value protection. Engagements are prioritised where ESG risks are most material. For example, during the year, Pella engaged directly with several companies to encourage alignment with the UN Global Compact and urged selected investees to seek formal approval of their decarbonisation plans through the Science Based Targets initiative (SBTi). Where engagement fails to deliver adequate disclosure or improvement, Pella may escalate via collaborative action, public commentary, or shareholder resolutions, as is planned with Marsh & McLennan in 2025.

Transparency underpins these activities. Pella publishes full portfolio holdings, its unredacted UNPRI Transparency Report, and monthly sustainability reports covering ESG ratings, carbon data, and thematic exposures. Quarterly reports provide voting and engagement details, and the annual Responsible Investment Report offers a comprehensive overview of implementation outcomes.

This transparency allows clients to assess whether Pella’s practices align with stated policies and fiduciary standards. In summary, Pella’s Responsible Investment Policy formally links ESG integration and ethical exclusions to the duty to act in clients’ best interests.

This duty is interpreted as requiring not only the pursuit of long-term returns, but the avoidance of foreseeable risks and harm that could compromise those returns. Responsible investment is therefore not treated as ancillary or marketing-driven, but as a core component of risk management, client alignment, and investment discipline.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment						
(B) Guidelines on environmental factors					(7) 100%	
(C) Guidelines on social factors						
(D) Guidelines on governance factors						

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change					(1) for all of our AUM	
(B) Specific guidelines on human rights					(1) for all of our AUM	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

(A) Listed equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

Managing Director

- (C) Investment committee, or equivalent

Specify:

Pella has an experienced sustainability expert, Dr Ian Woods, on its advisory board. Dr. Woods brings over twenty-years of experience across ESG and Sustainable Investment. His prior roles include Co-Head of Sustainable Investment, AMP Capital, Deputy Chair, Investor Group on Climate Change (Australia/NZ), and was a Member of the Coordinating Working Group, Australian Sustainable Finance Initiative, and is currently a Member of the Chronos Expert Sustainability Network.

- (D) Head of department, or equivalent
- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

(1) Board members, trustees, or equivalent

(2) Senior executive-level staff, investment committee, head of department, or equivalent

(A) Overall approach to responsible investment

(B) Guidelines on environmental, social and/or governance factors

(C) Guidelines on sustainability outcomes

(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

- (A) Yes
- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

- (A) Internal role(s)**

Specify:

Managing Director and Chairman/Chief Investment Officer

- (B) External investment managers, service providers, or other external partners or suppliers
- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Describe: (Voluntary)

Pella has made several responsible investment commitments, which are measured and reported in the firm's Monthly Sustainability Reports, Quarterly Investment Reports, and the Annual Responsible Investment Report. Performance relative to these commitments is ultimately overseen by the Board, and as such, the associated KPIs are used, both directly and indirectly, to evaluate the Board's effectiveness. These KPIs include portfolio-level ESG quality thresholds (e.g. minimum percentages of A-rated holdings and exclusion of CCC-rated holdings), compliance with Pella's exclusion and norms-based screening policies, carbon intensity targets relative to the benchmark, and transparency measures such as the public disclosure of full holdings and unredacted PRI reporting. A portion of each quarterly Board meeting is dedicated to reviewing Pella's ESG performance against these measures, and the Board formally signs off on the annual Responsible Investment Report and B Corporation disclosures. In addition to internal metrics, external assessments also play a role in evaluating the Board's stewardship of Pella's responsible investment strategy. These include the firm's carbon neutral certification by the Australian government, B Corporation certification, and recognition by the Responsible Investment Association Australasia as a Responsible Investment Leader. These third-party outcomes are considered during strategic reviews and are seen as important indicators of the Board's oversight effectiveness. While the Board is not currently evaluated using quantitative ESG-linked remuneration metrics, responsible investment is deeply embedded in the firm's strategic objectives and accountability processes. The integration of RI performance into formal reporting, stakeholder scrutiny, and governance structures ensures that the Board's responsibility for responsible investment is more than nominal—it is a core aspect of ongoing performance assessment.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

- (1) KPIs are linked to compensation
- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

Responsible investment is integrated into the performance evaluation of Pella's senior executive team and broader staff through both formal and informal mechanisms. While responsible investment KPIs are not currently used as standalone, quantified drivers of variable remuneration, they are embedded into employment contracts, job descriptions, and the firm's performance assessment framework—linking responsible investment implementation directly to individual accountability and reward. Pella's employment contracts explicitly incorporate ESG-related expectations. For example, the investment analysts' position descriptions require analysts to (1) incorporate ESG factors when researching companies and making investment suggestions; (2) participate, where possible, in Pella's social and volunteer opportunities; and (3) actively seek to improve Pella's ESG footprint.

Reflecting these requirements, the contracts explain that each employee's discretionary bonus will be partly based on their adherence to, and contribution toward, Pella's responsible investment policies and broader ESG objectives. These expectations apply not only to junior team members but to senior executives, including the Managing Director and CIO, whose compensation is ultimately reviewed by the Board with reference to both commercial and non-financial outcomes. In practice, responsible investment performance is assessed across several dimensions. Executives are accountable for ensuring compliance with exclusion policies, ESG quality thresholds, and norms-based screening across the portfolio. They are also responsible for maintaining carbon intensity targets—set at 30% below benchmark levels—which were exceeded during the reporting year: the Fund's carbon intensity was 77% lower than the benchmark relative to sales, and 79% lower relative to enterprise value.

Stewardship and engagement performance also inform executive evaluation. Senior leaders are responsible for implementing and escalating engagement where material ESG risks are identified. During the year, this included initiating a shareholder resolution at Marsh & McLennan, engaging with investee companies to pursue Science Based Targets initiative (SBTi) approval, and contributing to collaborative investor efforts through Climate Action 100+. Transparency and reporting are additional areas of executive responsibility. The Managing Director and CIO oversee the production of Pella's Monthly Sustainability Reports, Quarterly Investment Reports, the Annual Responsible Investment Report, and the unredacted UNPRI Transparency Report.

These documents are reviewed by the Board and are used by clients, certifiers, and regulators to evaluate Pella's performance against its responsible investment commitments. Responsible investment outcomes, such as Pella's carbon neutral certification by the Australian government, B Corporation certification, and recognition by RIAA as a Responsible Investment Leader, are considered material indicators of strategic performance. While these outcomes are not linked to formulaic incentive structures, they are factored into the Board's assessment of executive effectiveness and are reflected in remuneration decisions. Pella's approach ensures that responsible investment is embedded in the firm's culture and decision-making, rather than treated as an isolated objective.

ESG-related expectations are incorporated into employment agreements, implemented in day-to-day processes, and evaluated as part of overall performance. As the firm continues to evolve, we will assess whether formalising additional ESG-linked compensation structures would further strengthen alignment without introducing distortions.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>

(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies

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EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including governance-related recommended disclosures
 - (B) Yes, including strategy-related recommended disclosures
 - (C) Yes, including risk management-related recommended disclosures
 - (D) Yes, including applicable metrics and targets-related recommended disclosures
 - (E) None of the above
- Add link(s):

https://www.pellafunds.com/responsible_investing_reports/
<https://www.pellafunds.com/sustainability-reports/>
<https://www.pellafunds.com/quarterly-reports/>

Additional context to your response(s): (Voluntary)

During the reporting year, Pella publicly disclosed climate-related information that is aligned with the recommendations of the TCFD. These disclosures were made through Pella's Annual Responsible Investment Report, Quarterly Investment Reports, and Monthly Sustainability Reports, all of which are publicly available and reflect the firm's commitment to transparency. Pella's disclosures address the TCFD's four core elements (governance, strategy, risk management, and metrics and targets) through narrative integration rather than standalone formatting. Governance oversight of climate-related issues is clearly articulated. Climate considerations are a standing item at Pella's board meetings, and the Board is responsible for approving and monitoring firm-wide climate targets.

Senior management, including the Managing Director and CIO, are accountable for implementation and ongoing performance, and this responsibility forms part of broader performance assessments and internal accountability mechanisms. On strategy, Pella explains how climate-related risks and opportunities are factored into investment decision-making. This includes exclusionary screens for fossil fuel extraction and power generation, gas generation thresholds, and a preference for companies with credible transition plans. Climate is also considered in company-specific risk assessments, particularly for industries exposed to transition or regulatory risk. Engagement with investee companies often centres on climate topics, and Pella has actively encouraged several companies to pursue approval under the Science Based Targets initiative.

Climate risk management is embedded in both research and portfolio construction. Analysts are required to assess carbon-related exposures as part of their ESG integration responsibilities. Portfolio-level controls also act as safeguards. Pella has set explicit carbon intensity targets that require the portfolio to maintain Scope 1 and 2 emissions at least 30 percent below the benchmark, calculated both relative to sales and enterprise value. These thresholds are designed to limit exposure to carbon-intensive companies and improve portfolio resilience to transition risks. On metrics and targets, Pella provides quantitative climate data in its Monthly Sustainability Reports.

As of June 2024, the portfolio's carbon intensity was 77 percent lower than the benchmark relative to sales, and 79 percent lower relative to enterprise value. These reductions are not incidental, but the result of consistent portfolio-level monitoring and the application of firmwide sustainability criteria. In addition to these metrics, Pella achieved carbon neutral certification from the Australian Government during the reporting year. This certification followed a formal emissions analysis conducted by Pangolin Associates and the purchase of verified offsets through the Rimba Raya Biodiversity Reserve Project. Although Pella does not publish a standalone TCFD report, the substance of its climate-related disclosures is aligned with TCFD recommendations. The firm will continue to review the accessibility and structure of its climate reporting, particularly considering evolving regulatory expectations and the increasing need for consistency across the investment industry.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)

Link to example of public disclosures

https://www.pellafunds.com/responsible_investing_reports/

(B) Disclosures against the European Union's Taxonomy

Link to example of public disclosures

<https://fondsfinder.universal-investment.com/en/DE/Funds/LU2564817075/downloads?q=lvFjb7cwZ+A8RVIN9rp1PR%2f6vfqF1fJXSwUvqXzhRMBtvha4cj%2fvzBwPSztjGwFs+ONA7I9klxem0cOB4iJfYJO09bx2Pjj63yUwPTwGFPsivoW49MPADYzLpeAV8FE1>

(C) Disclosures against the CFA's ESG Disclosures Standard

(D) Disclosures against other international standards, frameworks or regulations

Specify:

Pella follows the Responsible Investment Association Australasia (RIAA) disclosure requirements, which can be reviewed across our website.

Link to example of public disclosures

<https://www.pellafunds.com/sustainability-reports/>

(E) Disclosures against other international standards, frameworks or regulations

(F) Disclosures against other international standards, frameworks or regulations

(G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- (A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (D) **Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year**

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- (A) **Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services**
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) **Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact**
- (D) **Exclusions based on our organisation's climate change commitments**
- (E) Other elements
- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) **Not applicable; we do not have a strategic asset allocation process**

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

(1) Listed equity

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

Pella conducts all stewardship activities internally and does not outsource proxy voting or engagement responsibilities to external providers. The firm prioritises its stewardship efforts by focusing on investee companies where there is either elevated ESG risk, the potential for improvement through engagement, or strategic importance to the portfolio. This prioritisation is grounded in materiality, ownership exposure, and the alignment between identified ESG risks and Pella's responsible investment objectives. Engagement is often triggered by specific risk signals, such as ESG rating downgrades, the presence of unresolved controversies, or gaps in disclosure. For example, during the reporting year, Pella prioritised engagement with Vertiv Holdings following a downgrade from MSCI ESG BBB to BB.

Under internal policy, such downgrades require engagement, and Vertiv became a key focus of stewardship efforts in the following quarter. Similarly, when companies are flagged for potential breaches of Pella's norms-based screening—such as involvement in high-risk supply chains, governance failings, or fossil fuel exposure—those companies are prioritised for investigation and engagement. Pella also prioritises engagement based on the relevance of an issue to broader responsible investment goals. For instance, climate-related topics receive heightened attention, particularly in high-emitting sectors or where there is a lack of Science Based Targets initiative (SBTi) alignment. The firm engaged several investee companies during the year to encourage SBTi commitments and approval.

This thematic focus aligns with Pella's firm-level carbon intensity targets and broader sustainability objectives. Ownership size and portfolio significance also guide prioritisation. Larger positions, or those held across multiple portfolios, are more likely to be prioritised for proactive engagement given their potential impact on overall risk-adjusted returns and portfolio-level ESG metrics. However, ownership level is not treated as a limiting factor. Pella will engage smaller holdings when there is a clear ESG rationale or strategic concern, as evidenced by its decision to pursue a shareholder resolution at Marsh & McLennan despite not being a top 10 position.

Finally, engagement prioritisation is informed by opportunity for influence. Pella seeks to engage constructively, focusing on areas where there is reasonable scope for change. For example, the firm successfully engaged with multiple companies—such as ASML, Ashtead, and Samsung Electronics—to become UN Global Compact signatories. These engagements were prioritised because the companies had not yet signed the Compact, and there was a credible path to influence via shareholder dialogue. In sum, Pella's stewardship prioritisation process balances material risk, portfolio exposure, and potential for meaningful improvement. It is systematic, analyst-led, and directly integrated into the broader investment and ESG monitoring process.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

Pella's default position is that collaborative stewardship can be an effective and legitimate mechanism for influencing change, particularly on systemic or industry-wide issues. However, we view collaboration as a complement to, rather than a substitute for, direct stewardship. All voting and engagement activities are conducted internally, and Pella retains full responsibility for stewardship implementation and outcomes. This ensures alignment with our investment philosophy, ethical framework, and portfolio-level risk considerations. Pella participates in collaborative initiatives where the topic is material, the engagement is structured, and the proposed approach is likely to generate constructive outcomes. For example, during the reporting year, Pella joined Climate Action 100+ and was assigned to the Woolworths (WOW.AU) working group. Through this platform, Pella contributed to engagement efforts focused on climate-related governance, emissions reduction targets, and improved disclosure practices. The decision to participate was based on Woolworths' relevance as a major Australian issuer with significant scope 3 emissions exposure and on the opportunity for investors to drive coordinated improvements in corporate behaviour. Pella is also open to ad hoc collaborations when alignment exists on specific stewardship goals. For instance, Pella has expressed interest in forming or joining coalitions that promote standardised disclosures in areas such as tobacco revenue reporting, supply chain traceability, and biodiversity impacts.

These collaborations are evaluated on a case-by-case basis, with emphasis placed on preserving independence of judgment, avoiding reputational conflicts, and ensuring a clear line of sight between collaborative activity and measurable change. At the same time, Pella is selective in its collaborative engagements. We do not sign open letters or join initiatives unless we intend to actively participate and can support the stated objectives. Collaboration is not pursued for signalling purposes, and we avoid collective actions where the demands or expectations do not align with our internal policies or fiduciary obligations. When participating in collaborative engagements, we aim to add value through research, direct company engagement, or governance-related input, rather than deferring to larger institutions or service providers. Pella also recognises the limits of collaborative stewardship. Certain issues, such as potential breaches of our exclusion or norms-based criteria, may require tailored engagement that is inconsistent with broad consensus-based approaches. In these cases, Pella prioritises bilateral engagement to ensure our specific concerns are addressed. For example, our decision to submit a shareholder resolution at Marsh & McLennan arose from sustained, direct engagement and reflects a position that could not have been adequately expressed through broader collaboration. In summary, Pella's default position is supportive of collaboration where it enhances stewardship effectiveness, aligns with our responsible investment priorities, and preserves independence. We view collaborative stewardship as one tool among many and evaluate its use through a lens of materiality, influence, and accountability.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff

Select from the list:

- 1
- 2
- 3
- 4
- 5

- (B) External investment managers, third-party operators and/or external property managers, if applicable
- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers
- (D) Informal or unstructured collaborations with investors or other entities
- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar
- (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Pella's stewardship activities are deeply integrated with our investment decision-making process, creating a cohesive approach that supports both financial performance and ESG outcomes. This integration operates in both directions. Stewardship efforts are shaped by insights from investment research and portfolio monitoring, while investment decisions reflect the effectiveness of engagement and proxy voting outcomes. The result is a dynamic feedback loop, ensuring ESG risks and opportunities are evaluated continuously and managed proactively. Investment decisions at Pella are grounded in comprehensive ESG analysis.

Analysts assess the environmental, social, and governance performance of companies alongside conventional financial metrics. This assessment identifies material risks—such as climate exposure, governance failures, or regulatory vulnerabilities—as well as opportunities, such as alignment with sustainability themes or strong disclosure practices. ESG analysis informs the initial investment decision and can determine whether a company qualifies for inclusion. Firms with robust ESG credentials are more likely to be included in the portfolio, as they are viewed as offering more resilient long-term value and reduced downside risk. Following investment, stewardship becomes a central mechanism for managing and enhancing ESG performance.

Engagements are prioritised based on materiality to the investment thesis and alignment with Pella’s responsible investment principles. All stewardship activities, including management engagement, proxy voting, and participation in collaborative initiatives, are undertaken in-house by the investment team. Engagement objectives vary but often focus on climate governance, human rights, business ethics, and disclosure quality. An example of this integration is Pella’s ongoing initiative encouraging portfolio companies to become signatories to the United Nations Global Compact (UNGC). Pella believes the UNGC provides practical benefits by focusing senior management attention on globally accepted sustainability norms without creating excessive reporting burdens.

We write to all investees that are not signatories and repeat the initiative biannually if companies initially decline. Several large-cap companies have become signatories as a result of our repeated engagement, illustrating how stewardship supports portfolio quality and value. Pella’s stewardship priorities are also guided by insights from investment monitoring. We continuously evaluate portfolio companies to identify ESG risks and engagement opportunities. This includes systematic review of ESG rating changes, controversy alerts, and emerging sustainability issues. Where gaps or concerns are identified, engagement is initiated.

For example, the decision to petition the US Securities and Exchange Commission (SEC) to mandate disclosure of tobacco-related revenue by listed retailers arose from engagement efforts with multiple companies. These companies reported they did not disclose this revenue because their peers did not, suggesting a systemic issue. When company-level engagement proved ineffective, we escalated the issue through regulatory advocacy. Stewardship outcomes, in turn, influence investment decisions. When engagement leads to improved policies or disclosure, it can reinforce investment conviction. Where engagement fails, or where governance concerns persist, we may adjust position sizing, introduce restrictions, or divest.

Stewardship is also operationalised through structured processes and internal reporting. ESG and stewardship considerations are discussed at regular investment team meetings, tracked in our Quarterly Investment Reports, and incorporated into portfolio reviews. This ensures that ESG factors and engagement insights are continuously informing position-level decisions and portfolio construction. In summary, Pella’s investment and stewardship responsibilities are mutually reinforcing. ESG analysis guides investment decisions, and stewardship activities are used to protect and enhance the sustainability profile of portfolio companies.

This interplay ensures our responsible investment approach is not siloed but integrated into all stages of our investment process. It allows us to manage risk, capture long-term opportunity, and contribute to meaningful sustainability outcomes through active ownership.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Pella’s stewardship strategy is a core element of its responsible investment approach and is implemented entirely in-house by the investment team. The strategy is built around four primary tools—engagement, voting, advocacy, and transparency—which together ensure that stewardship responsibilities are embedded across all investment decisions and applied consistently to every company held in the portfolio. Engagement is used to monitor, influence, and improve the ESG practices of investee companies and is closely linked to both investment decision-making and ongoing risk management. Pella expects to engage with 100 percent of its portfolio companies at least annually, using engagement to deepen understanding of ESG risks and to communicate expectations. Standard engagements cover material sustainability issues such as climate governance, supply chain risks, business ethics, and labour practices.

Engagement intensity increases where a company has an ESG rating below A or lacks an ESG rating, has experienced a rating downgrade, faces a severe controversy, or is part of a targeted stewardship initiative. For example, when Vertiv Holdings was downgraded from MSCI ESG BBB to BB, engagement was initiated to understand the drivers of the downgrade and determine appropriate next steps. A further example is Pella’s biannual engagement initiative encouraging portfolio companies to become signatories to the United Nations Global Compact (UNGC). Pella views UNGC signatory status as a practical and credible indicator of senior-level commitment to sustainability principles. Rather than relying on one-off communications, Pella re-engages companies that have not signed the Compact, and this persistence has resulted in several large companies—including ASML, Ashtead, and Samsung Electronics—joining as signatories after sustained dialogue.

Proxy voting is the second core tool and is fully managed by the investment team. Pella participates in all shareholder meetings where it holds voting rights and prefers to hold voting shares over non-voting equity. Voting decisions are informed by a combination of internal research and analysis, and insights from third-party proxy advisors. This enables Pella to tailor its voting positions to the financial and ESG context of each holding. All votes are cast with the goal of promoting sound governance, sustainable value creation, and alignment with shareholder interests. Advocacy is the third element of Pella’s stewardship strategy and reflects the firm’s belief that investment decisions alone are insufficient to advance sustainability at the scale required.

Pella participates in targeted advocacy efforts that aim to address systemic risks or market-wide gaps. During the reporting year, Pella petitioned the US Securities and Exchange Commission to require retailers to disclose tobacco-related revenue, after engagement with individual retailers revealed an industry-wide reluctance to disclose this information in the absence of peer reporting. The firm is also a member of Climate Action 100+ and contributes to collaborative engagements, including participation in the Woolworths working group. Transparency is the fourth component of stewardship and underpins the credibility of all other activities. Pella defines transparency as the provision of all relevant and timely information needed by stakeholders to assess the firm's financial and responsible investment decisions. This is delivered through multiple channels. Pella's website houses key policies, opinion pieces, and reports. Monthly factsheets and sustainability reports provide investment and ESG metrics, while quarterly reports disclose the full portfolio (with a one-quarter lag), voting activity, and progress on stewardship initiatives. The Annual Responsible Investment Report provides a comprehensive summary of Pella's RI strategy, voting rationale, and the outcomes of engagement projects. Together, these tools ensure that stewardship is not siloed or reactive but instead is embedded in the firm's overall investment process. Engagement informs investment decision-making, voting reinforces ESG expectations, advocacy addresses systemic barriers to sustainability, and transparency enables accountability. Pella's stewardship strategy is designed to be focused, credible, and scalable, supporting both long-term financial value and responsible investing outcomes.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes

Select from the below list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases

(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear

- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes
Add link(s):
https://www.pellafunds.com/responsible_investing_reports/
<https://www.pellafunds.com/quarterly-reports/>
- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) **Within three months of the AGM/EGM**
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(1) for all votes	(1) for all votes
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	<input type="radio"/>	<input type="radio"/>
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	<input type="radio"/>	<input type="radio"/>

(A) Yes, we publicly disclosed the rationale - Add link(s):

https://www.pellafunds.com/responsible_investing_reports/
<https://www.pellafunds.com/quarterly-reports/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

Pella ensures that proxy votes are cast and counted accurately through an internally controlled process supported by external infrastructure for vote execution and confirmation. All proxy voting decisions are made in-house by the investment team. Voting is not delegated to external managers or advisors. To manage vote submission and tracking, Pella uses ISS ProxyExchange, a service designed to navigate operational and administrative complexities in the proxy voting process. The platform allows electronic submission of votes and provides confirmation that instructions have been received and processed. The investment team monitors upcoming shareholder meetings and submits votes accordingly. ISS provides reports detailing the meetings in which Pella participated and the number of votes submitted. These reports are reviewed against Pella's internal records to verify consistency between submitted instructions and confirmed execution. If discrepancies are identified, Pella communicates directly with ISS to understand the issue and resolve it. Internally, all voting activity is logged in a stewardship register. This includes meeting details, voting decisions, submission status, and any issues requiring follow-up. The process is overseen by senior members of the investment team and forms part of the firm's broader operational review procedures. Pella's voting records are also subject to external oversight through its custodial and fund administration arrangements. The objective is to vote on all eligible holdings and to verify that voting instructions are implemented and reflected in meeting outcomes. Where errors or omissions occur, these are recorded, investigated, and addressed with the relevant service provider.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Filing, co-filing, and/or submitting a shareholder resolution or proposal
- (C) Publicly engaging the entity, e.g. signing an open letter
- (D) Voting against the re-election of one or more board directors

(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director

(F) Divesting

(G) Litigation

(H) Other

(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Additional context to your response(s): (Voluntary)

During the reporting year, Pella continued its efforts to petition the US Securities and Exchange Commission (SEC) to introduce a rule requiring publicly listed retailers to disclose the proportion of their revenue derived from tobacco sales. This initiative is grounded in Pella's belief that such disclosures are essential for ethical and financial analysis, enabling investors to assess a company's exposure to tobacco-related risks more effectively. Despite limited progress from the SEC to date, Pella remains committed to advancing this initiative and considers regulatory engagement on this issue a key component of its stewardship strategy.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups
- (D) We engaged policy makers on our own initiative

Describe:

During the reporting year, Pella continued to pursue improved tobacco-related disclosure from retailers. In FY23, Pella wrote to each retailer in which it held an investment, requesting disclosure of the proportion of revenue derived from tobacco sales. These companies declined, citing the absence of an industry standard for such disclosure. In response, in FY24 Pella submitted a formal petition to the US Securities and Exchange Commission (SEC), requesting that the regulator introduce a rule requiring publicly listed retailers to disclose their tobacco-related revenue. The submission is publicly available on the SEC's website (<https://www.sec.gov/rules-regulations/petitions-rulemaking-submitted-to-sec>). Since then, Pella has followed up on the petition on multiple occasions and continues to work diligently for the SEC to implement the rule. This initiative remains a key component of Pella's stewardship strategy, reflecting its commitment to promoting transparency on issues that are both ethically and financially material.

- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers

Add link(s):

www.sec.gov/files/rules/petitions/2023/petn4-813.pdf

- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Encourage investees to become signatories to the UNGC

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Pella maintains an ongoing objective for all portfolio companies to become signatories to the United Nations Global Compact (UNGC). To support this, we contact every non-signatory in the portfolio twice per year, encouraging them to join. As a result of these efforts, six companies have become signatories following our engagement: Ashtead, Antofagasta, ASML, Flow Traders, Samsung Electronics, and Sunrun. Nonetheless, progress remains uneven. Several key holdings, including Adobe, Alphabet, CME Group, JD Sports, Marsh & McLennan, and UnitedHealth, have not signed despite receiving at least four separate requests from us. We remain committed to this initiative and intend to continue our outreach, with the aim of reporting further progress in the coming year.

(B) Example 2:

Title of stewardship activity:

Encourage investees to become SBTi approved

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity

- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Pella has an active initiative to encourage all investee companies to obtain Science Based Targets initiative (SBTi) approval for their emissions reduction goals. This forms part of Pella's broader stewardship strategy to support credible, science-aligned climate action. Pella regularly engages with portfolio companies that lack SBTi-approved targets, urging them to align their decarbonisation plans with the Paris Agreement and seek formal validation from the SBTi.

(C) Example 3:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(D) Example 4:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

- (A) Yes, within our standard planning horizon
- (B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Pella identifies a range of climate-related risks and opportunities that are systematically assessed within its investment process. These are categorised into physical and transition risks, and climate-aligned investment opportunities, with a standard planning horizon of ten years, although portfolio decisions are typically made with a three-year investment horizon. Physical risks include the increasing frequency and severity of extreme weather events—such as floods, hurricanes, and wildfires—which can damage infrastructure, disrupt operations and supply chains, and impair asset values. Pella also considers more gradual climate effects such as rising temperatures and changes in precipitation patterns, which can affect water-intensive industries, agriculture, and businesses reliant on cold climates (e.g. alpine tourism).

Transition risks relate to the economic, regulatory, and technological adjustments required to move to a low-carbon economy. These include changes in government policy (such as emissions caps and carbon pricing), shifting consumer and investor preferences, and the risk of technological obsolescence. Pella also considers the legal risk that companies may face from inadequate disclosure or failure to adapt to climate-related requirements. To manage these risks, Pella applies exclusion screens to avoid companies involved in fossil fuel extraction and combustion, fossil fuel transport, old-growth deforestation, and other high-emission or climate-sensitive activities. These exclusions are complemented by portfolio-level carbon intensity targets.

The Fund's carbon intensity (Scope 1 and 2), measured relative to both revenue and enterprise value, must be at least 30% lower than the benchmark. In FY24, the Fund's carbon intensity was approximately 70% lower than the benchmark on both measures. On the opportunity side, Pella actively seeks investments aligned with the transition to a low-carbon economy. This includes companies involved in renewable energy, electrification infrastructure, and energy efficiency. Holdings such as Schneider Electric and Prysmian reflect Pella's thematic exposure to electrification, while CATL contributed to energy storage. This framework enables Pella to identify and manage climate-related risks and opportunities over a time frame that captures both near-term financial implications and longer-term structural change.

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General
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Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Climate-related risks and opportunities have significantly shaped and continue to influence our investment strategy, financial planning, and product offerings. As an organization committed to responsible investing, we recognize the profound impact of climate change on the global economy and our portfolio.

Our investment strategy is increasingly guided by the recognition of both physical and transitional climate risks. Physical risks, such as the increased frequency and severity of extreme weather events, necessitate a thorough assessment of the vulnerability of our investee companies' assets and operations. This has led us to favour investments in companies that demonstrate robust climate resilience strategies and adaptive measures. Transitional risks, including regulatory changes, shifts in market preferences, and technological advancements, drive us to invest in companies that are proactive in reducing their carbon footprint and aligning with a low-carbon economy. We avoid sectors heavily reliant on fossil fuels and those with poor environmental practices, instead prioritizing investments in renewable energy, energy efficiency technologies, and sustainable infrastructure.

Our commitment to addressing climate-related risks and opportunities is reflected in the development of our investment products. Our firm is entirely committed to Responsible Investing, and we have a firm wide ban on companies directly involved in severe environmental damage. In addition we have environmental objectives at the investee level and portfolio level. To justify our investment positions, Pella also incorporates our own environmental requirements, and our company is carbon neutral.

We anticipate that climate-related risks and opportunities will continue to play a critical role in shaping our investment strategy and financial planning. As global efforts to combat climate change intensify, we expect increased regulatory scrutiny, technological innovations, and shifts in consumer behaviour. We are committed to staying ahead of these trends by continuously enhancing our climate risk assessment methodologies, expanding our sustainable investment offerings, and engaging with our investee companies to drive positive environmental outcomes.

In conclusion, climate-related risks and opportunities have profoundly influenced our approach to investing, financial planning, and product development. By integrating climate considerations into every aspect of our operations, we aim to deliver long-term value to our clients while contributing to a more sustainable and resilient global economy.

(B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General
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Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

(A) Coal

Describe your strategy:

Companies involved in mining or transporting coal are negatively screened and not included in Pella's investable universe.

(B) Gas

Describe your strategy:

Companies involved in drilling for or transporting gas are negatively screened and not included in Pella's investable universe.

(C) Oil

Describe your strategy:

Companies involved in drilling, refining, or transporting oil are negatively screened and not included in Pella's investable universe.

(D) Utilities

Describe your strategy:

The developed world is approaching a point where it is technically and economically possible to replace fossil fuels with sustainable alternatives. To encourage this transition Pella excludes all companies generating power from thermal coal sources except when the thermal coal power generation is less than 5% of the total generation and they have firm commitments to exit that activity entirely within three years from Pella's initial investment in that company. Pella also excludes power generators that (i) earn more than 15% of their revenue from gas turbine generation; (ii) exceed the carbon intensity threshold recommended by the IEA in the Paris Agreement; (iii) do not disclose their CO2 emissions. The 5% threshold on thermal-coal powered generation with the requirement that the company must be transitioning away from coal within three years from Pella's initial investment reflects Pella's support for companies transitioning away from thermal coal. The 15% threshold on gas turbine generation reflects the current use of standby gas generation for peak load scenarios, which often cannot be provided by renewable energy. This threshold will decline as batteries become a viable alternative to gas for peak load generation.

- (E) Cement
- (F) Steel
- (G) Aviation
- (H) Heavy duty road
- (I) Light duty road
- (J) Shipping
- (K) Aluminium
- (L) Agriculture, forestry, fishery

Describe your strategy:

An old-growth forest has attained great age without significant disturbance and exhibits unique ecological features. These forests can be cut down for wood or to farm the land. Pella believes these activities cause unnecessary damage as tree plantations can be used for wood and existing farmland can be used more productively. We exclude enterprises with any exposure to directly destroying old-growth forests. This includes paper and pulp companies, companies that transport the wood, and food companies that use old growth palm trees. Animal cruelty covers a broad spectrum of behaviour, including cosmetic testing, using animals for live crowd entertainment, and intensive animal husbandry. Pella excludes companies with any direct exposure to those activities. The animal cruelty exclusion means Pella avoids investing in companies involved in intensive fish farms. Pella has, and will continue, to avoid companies involved in intensive open sea fishing due to ecologic impact of those operations.

- (M) Chemicals
- (N) Construction and buildings
- (O) Textile and leather
- (P) Water
- (Q) Other
- (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios

Specify:

Yes, Pella has assessed the resilience of its investment strategy under different climate scenarios, including one where the average global temperature rise is held to well below 2°C, preferably 1.5°C, above pre-industrial levels. This assessment was primarily conducted using MSCI's ESG Fund Ratings and Climate Search Tool, which enabled Pella to evaluate the portfolio's alignment with global climate goals and track its weighted carbon intensity. The analysis includes carbon metrics such as carbon intensity relative to both revenue and enterprise value, which serve as indicators of the portfolio's exposure to transition risks and its contribution to greenhouse gas emissions. As of June 2024, the Fund's carbon intensity was approximately 70% lower than the benchmark on both measures, indicating strong positioning in a below-2°C scenario. In parallel with this quantitative assessment, Pella actively engages its portfolio companies to improve climate alignment, including through its SBTi (Science Based Targets initiative) engagement strategy. This strategy involves encouraging investee companies to commit to SBTi-approved targets, which are aligned with the goals of the Paris Agreement. Pella monitors companies' progress toward SBTi approval and integrates this into its stewardship and ESG risk assessments. These efforts reflect Pella's broader commitment to managing climate-related risks and opportunities, ensuring the Fund is positioned to withstand various climate transition pathways while contributing to the achievement of global decarbonization objectives.

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- (A) Yes, we have a process to identify and assess climate-related risks

(1) Describe your process

Pella has a structured process to identify, assess, and manage climate-related risks that may affect its investments. This process is embedded throughout the investment lifecycle, beginning with company-level due diligence and extending to ongoing portfolio-level monitoring. Pella has identified several key climate-related risk factors that are considered during company analysis. These include exposure to land or ecosystem disturbance, operations in or near fragile ecosystems, reliance on water-intensive processes, and activities that generate significant levels of packaging waste or toxic emissions. During fundamental due diligence, these risks are assessed for each company under review and are reflected in Pella's internal investment reports.

The presence of such risks contributes to a company's risk score, which directly influences the investment decision. On a relative basis, companies with greater exposure to these climate-related risks are assigned higher risk scores, thereby reducing their likelihood of being included in the portfolio. In addition to qualitative assessment, Pella employs quantitative tools to monitor environmental risks across the portfolio. The environmental score for the portfolio—sourced from MSCI ESG Research—is calculated monthly and compared against the benchmark. Attribution analysis is performed at both the sector and company levels, and Pella targets positive attribution across both dimensions. This approach enables ongoing oversight of the portfolio's climate-related characteristics and is a mechanism for ensuring alignment with broader sustainability goals.

To maintain transparency, these results are made available to stakeholders through regular reporting. Recognising the elevated regulatory and transition risks facing carbon-intensive industries, Pella also applies explicit exclusions to fossil fuel-related activities. The investment universe excludes fossil fuel mining, refining, electricity generation, and transport (such as pipelines). To complement these exclusions, Pella tracks the Fund's carbon intensity—measured as scope 1 and 2 emissions relative to sales and enterprise value—and targets a portfolio carbon footprint that is at least 30% lower than the benchmark. Attribution analysis is again applied to understand the drivers of portfolio-level carbon intensity, and Pella aims to achieve lower intensity at both stock and sector levels. Taken together, this framework ensures that climate-related risks are systematically identified, assessed, and managed, both at the company level through research and exclusions, and at the portfolio level through environmental scoring, carbon intensity metrics, and ongoing attribution analysis.

(2) Describe how this process is integrated into your overall risk management

Pella integrates climate-related risks into its broader risk management framework by addressing them at both the individual investment level and the portfolio level. At the individual stock level, climate-related risks are incorporated during the due diligence process, where exposures such as land or ecosystem disturbance, water-intensive operations, and toxic emissions are identified and assessed. Companies with significant climate-risk operations—such as fossil fuel miners, electricity generators, and pipeline operators—are excluded outright from the investment universe. For companies with material but not disqualifying exposures, Pella applies a higher risk premium in its valuation models and adjusts their risk scores accordingly.

These scores influence the overall risk-reward assessment and play a key role in investment decision-making. To ensure ongoing oversight, Pella generates monthly reports to monitor the environmental performance of each holding and to flag any controversies that may indicate emerging risks. At the portfolio level, Pella tracks climate risk exposure through two primary metrics: the portfolio's environmental score and its carbon intensity (scope 1 and 2), measured relative to both sales and enterprise value. These metrics are reviewed monthly and assessed against both historical performance and the benchmark. To further integrate these risks into the overall risk framework, Pella performs monthly attribution analyses of both environmental score and carbon intensity. These analyses help identify whether environmental or carbon-related performance is being driven by sector allocation or stock selection, enabling more informed portfolio construction and ongoing management. This layered approach ensures that climate-related risks are not managed in isolation but are fully embedded within Pella's overall investment and risk management processes. By combining qualitative assessments, exclusion policies, valuation adjustments, and ongoing quantitative monitoring, Pella ensures that climate risks are identified, assessed, and effectively managed throughout the investment lifecycle.

- (B) Yes, we have a process to manage climate-related risks
- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

- (A) Exposure to physical risk
- (B) Exposure to transition risk
- (C) Internal carbon price
- (D) Total carbon emissions
- (E) **Weighted average carbon intensity**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) **Metric or variable used and disclosed**
 - (3) Metric or variable used and disclosed, including methodology
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.pellafunds.com/sustainability-reports/>

- (F) Avoided emissions
- (G) Implied Temperature Rise (ITR)
- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities
- (J) Other metrics or variables
- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- (A) **Scope 1 emissions**
 - (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) **Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.pellafunds.com/sustainability-reports/>

(B) Scope 2 emissions

(1) Indicate whether this metric was disclosed, including the methodology

o (1) Metric disclosed

o **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.pellafunds.com/sustainability-reports/>

(C) Scope 3 emissions (including financed emissions)

o (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities

o (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

(A) The UN Sustainable Development Goals (SDGs) and targets

(B) The UNFCCC Paris Agreement

(C) The UN Guiding Principles on Business and Human Rights (UNGPs)

(D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(E) The EU Taxonomy

(F) Other relevant taxonomies

(G) The International Bill of Human Rights

(H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(I) The Convention on Biological Diversity

(J) Other international framework(s)

(K) Other regional framework(s)

(L) Other sectoral/issue-specific framework(s)

o (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?

(A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

(B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

Pella assesses the sector context of its investments to identify potential connections to negative human rights outcomes and to inform both stock selection and stewardship. This process begins with an understanding that certain industries, such as defence, for-profit incarceration, fast fashion, and technology, carry elevated structural risks to people due to their operating models or exposure to vulnerable populations. Pella excludes companies operating in sectors with systemic and irreconcilable harm, such as for-profit prisons, weapons manufacturing, and exploitative labour practices, removing the most acute human rights risks from the investable universe altogether.

For companies that remain investable, Pella applies several layers of analysis. First, all investments are screened for involvement in significant ESG controversies, including breaches of international norms such as the UN Global Compact. These controversies are monitored through real-time alerts and periodic reviews, enabling the investment team to track emerging issues such as unsafe working conditions, supply chain abuses, or discriminatory practices. Where material concerns arise, even if not captured by third-party ESG providers, Pella escalates the issue for internal review. For example, a company with a strong MSCI ESG rating may still be excluded or underweighted if internal research identifies poor oversight of labour rights or a history of human rights violations.

In such cases, Pella may decline to invest altogether or apply a risk premium to reflect unresolved social risks, reducing position size or requiring a higher expected return to justify the exposure. This approach has been applied consistently, including in FY24 when Pella continued to avoid investments that met formal ESG thresholds but failed to satisfy internal criteria related to supply chain accountability or worker protections.

In addition to investment-level decisions, Pella actively uses stewardship to encourage better practices. During the year, Pella engaged with Vertiv after a downgrade in its ESG rating to seek improvements in its environmental and social management systems. Pella also aligned all proxy voting decisions with the aim of improving outcomes for people, including voting *for* shareholder resolutions at several high-profile AGMs.

At Microsoft's AGM, Pella supported proposals for increased disclosure on the risks of AI-generated misinformation, and on how third-party data is used to train AI models, recognising the potential social harm of unchecked generative AI development. At Amazon, Pella voted *for* a third-party assessment of board oversight of human rights risks associated with AI deployment. These votes reflected concerns that emerging technologies may carry unintended but significant social consequences if not subject to adequate governance. Elsewhere, at Midea's AGM, Pella supported a proposal to regulate working conditions at construction sites, opposing management's recommendation. The vote was grounded in the principle that companies have a responsibility to ensure that their contractors honour collective bargaining agreements and maintain safe and fair workplaces.

These decisions illustrate how Pella integrates sectoral context and controversy monitoring into both investment decisions and active ownership, with a focus on identifying and mitigating negative human rights outcomes across the portfolio.

(C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

In FY25, Pella assessed the human rights performance of both potential and existing investments to identify any connection to negative human rights outcomes through a combination of screening, ESG analysis, controversy monitoring, and engagement. Pella continued to apply its established exclusion criteria, which screen out companies involved in activities that present systemic human rights risks, including the use of child labour, operation of for-profit prisons, and exploitative working conditions. These exclusions are applied at the point of investment and reviewed annually to ensure alignment with evolving human rights standards. Pella monitored the Social pillar score of every holding throughout FY25 using MSCI ESG Research, with scores reviewed monthly. These scores capture risk exposure and management quality across issues such as workforce rights, supply chain labour practices, and customer privacy. In FY25, 100% of the portfolio remained invested in companies rated BBB or higher, and 79% was invested in companies rated A or higher, providing a strong bias toward companies with higher assessed social performance. In addition to ESG ratings, Pella actively tracked severe controversies. This involved real-time alerts and monthly controversy reviews, which were used to flag companies facing credible allegations of human rights violations, even if their ESG rating remained unchanged. In such cases, the investment team initiated internal reviews to reassess the holding. For example, companies with exposure to exploitative labour practices in their supply chains were reassessed for alignment with Pella's investment standards. Where necessary, position sizing was reduced or risk premia were applied to reflect the heightened exposure to human rights risks. In FY25, Pella engaged with selected holdings where the potential for negative human rights impacts was material. For instance, following a downgrade in its ESG rating, Pella engaged with Vertiv to better understand and influence improvements in its labour practices and broader ESG performance. Pella also exercised voting rights in support of human rights-related shareholder proposals. At Amazon, Pella voted for a third-party review of board oversight of AI-related human rights risks. At Microsoft, Pella supported proposals on AI data sourcing and misinformation risks, and at Midea, voted in favour of regulated working conditions for contractors. These votes were guided by Pella's commitment to improving human rights outcomes within investee companies. Together, these FY25 actions demonstrate a systematic effort to assess and mitigate the risk of negative human rights impacts associated with Pella's investment activities.

(D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

During FY25, Pella systematically monitored both severe and emerging human rights controversies across all holdings to understand how these events could connect our organisation to negative human rights outcomes. This monitoring process forms a core component of Pella's risk management and responsible investment framework and is integrated into monthly portfolio oversight and analyst workflows.

Each month, Pella tracked and reported the number of controversies associated with each company across a defined set of categories. These included direct human rights categories such as *Human Rights Concerns Controversies*, *Controversial Working Conditions Controversies*, and *Supply Chain Labor Controversies*, as well as related categories that often involve indirect human rights risks, such as *Discrimination and Diversity Controversies*, *Data Security Breaches Controversies*, *Customer Fraud Controversies*, and *Discriminatory Access to Basic Services Controversies*.

In total, Pella monitored and reported across 24 controversy types, including:

- * Anti-Competitive Behavior Controversies
- * Bribery and Corruption Controversies

- * Business Ethics Controversies
- * Chemical Safety Controversies
- * Climate Change Controversies
- * Controversial Working Conditions Controversies
- * Controversial Workplace Accidents Controversies
- * Customer Fraud Controversies
- * Data Security Breaches Controversies
- * Discrimination and Diversity Controversies
- * Discriminatory Access to Basic Services Controversies
- * Environmental Impacts on Communities Controversies
- * Environmentally Controversial Investments Controversies
- * Human Rights Concerns Controversies
- * Marketing Controversies
- * Operational Impacts on Ecosystems Controversies
- * Product Safety & Quality Controversies
- * Raw Material Impact Controversies
- * Social Impacts of Raw Materials Controversies
- * Social Impacts on Communities Controversies
- * Supply Chain Labor Controversies
- * Taxes and Subsidies Controversies
- * Toxic Emissions & Waste Controversies

* Water Stress Controversies The presence of any severe controversy, particularly those involving labour rights, discrimination, or customer harm, triggers an internal review to reassess the company's alignment with Pella's responsible investment standards. In FY25, this approach enabled Pella to flag and review multiple holdings with elevated controversy profiles, including cases not yet reflected in third-party ESG scores. These reviews informed decisions to engage with the company, reduce exposure, or in some instances, divest.

This controversy tracking framework provides an early warning system for risks to people and supports Pella's objective to avoid exposure to companies involved in serious or repeated human rights breaches. It also helps ensure that human rights considerations are embedded into investment decisions on an ongoing basis, not just at entry.

- (E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
 - (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potential negative outcomes for people connected to your investment activities?

- (A) Workers
- (B) Communities
- (C) Customers and end-users
- (D) Other stakeholder groups

Specify:

Climate Action 100+

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potential negative outcomes for people connected to its investment activities?

- (A) Corporate disclosures

Provide further detail on how your organisation used these information sources:

Pella reads investment candidates' annual reports, including the sustainability report, to identify issues that may have negative outcomes for people.

- (B) Media reports

Provide further detail on how your organisation used these information sources:

Pella subscribes to several news publications to remain abreast of all issues, including human rights related issues, affecting companies. The investment team has a daily meeting, where any negative media reports are discussed and analyzed.

- (C) Reports and other information from NGOs and human rights institutions

Provide further detail on how your organisation used these information sources:

Pella refers to Tobacco Free Portfolios, and As You Sow, for research to inform our initiative to petition the US SEC to require listed retailers to disclose their tobacco-related revenue.

- (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

- (E) Data provider scores or benchmarks

Provide further detail on how your organisation used these information sources:

Pella subscribes to MSCI ESG research, which we use in our pre-investment screening, investment due diligence, and post-investment monitoring activities. In using that service, we have screens to identify key issues, we subscribe to information alerts, and we read their research. Pella also used Factset to identify companies participating in highly sensitive industries.

(F) Human rights violation alerts

(G) **Sell-side research**

Provide further detail on how your organisation used these information sources:

Sell-side research increasingly reports on ESG factors and human rights violations. Pella incorporates this research into its investment process.

(H) **Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

Pella subscribes to ESG Investor, which provides broad ESG-related articles, including those on human rights.

(I) Information provided directly by affected stakeholders or their representatives

(J) Social media analysis

(K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

(A) **Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities**

Describe:

During the reporting year, Pella took steps to enable access to remedy for individuals potentially affected by negative human rights outcomes that Pella may have caused or contributed to through its investment activities. Recognising that remedy requires both accessibility and accountability, Pella has prioritised transparency and direct channels of communication with stakeholders. Pella publicly discloses all portfolio holdings and provides investors with detailed reports that summarise each company's activities, including their ESG strengths and weaknesses. These reports are designed not only for investment transparency but also to allow individuals, communities, and civil society organisations affected by a portfolio company's conduct to identify Pella as a stakeholder in that activity. This visibility is critical to enabling remedy, as it establishes a clear link between the affected party and the investor with influence. To facilitate communication, all reports include contact details for Pella's senior leadership, and Pella's website prominently lists contact information for its Managing Directors. This approach ensures that any individual or group seeking to raise a concern—whether related to labour rights, displacement, privacy breaches, or other adverse impacts—can do so directly and without bureaucratic barriers. Pella's policy is to support and advocate for those who raise legitimate concerns. When contacted by affected stakeholders, Pella commits to investigating the issue in good faith, assessing the extent of its connection or contribution, and working with the relevant portfolio company to ensure appropriate resolution or remediation. Pella views these communications not as compliance obligations but as essential inputs into its stewardship process and as a reflection of its responsibility to respect human rights across the investment chain.

(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities

(C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

(3) Active - fundamental

(A) Yes, our investment process incorporates material governance factors

(1) for all of our AUM

(B) Yes, our investment process incorporates material environmental and social factors

(1) for all of our AUM

(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period

(1) for all of our AUM

(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion

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(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors

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MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

(3) Active - fundamental

(A) Yes, we have a formal process that includes scenario analyses

(B) Yes, we have a formal process, but it does not include scenario analyses

(1) for all of our AUM

(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion

○

(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies

○

(B) Yes, we have a formal process but it does not include scenario analysis - Specify: (Voluntary)

Yes, Pella has a formal process for monitoring and reviewing the implications of changing ESG trends across its listed equity strategies. This process draws on both third-party ESG data and proprietary analysis and is applied consistently across the investment universe. Pella uses MSCI ESG scoring data to monitor the environmental, social, and governance characteristics of its portfolio. This data is used to track the portfolio's aggregate ESG scores, as well as the underlying E, S, and G subcomponents. Monthly attribution analysis allows the investment team to identify the drivers of change in ESG performance—whether due to stock-specific developments or broader ESG trends—and respond accordingly through portfolio construction or engagement. In addition to MSCI data, Pella conducts proprietary analysis on specific ESG topics. On the environmental side, Pella monitors factors such as exposure to water-intensive operations, environmental audits, land use impacts, and waste generation. Social analysis includes evaluation of workforce diversity policies, human rights standards, data privacy practices, and exposure to product safety risks. Governance reviews focus on issues such as board independence, gender diversity, auditor concerns, and ownership structures. While Pella's ESG monitoring process is formalised and regularly applied, it does not currently incorporate forward-looking scenario analysis. Instead, the approach focuses on using a combination of structured ESG data and internal assessments to identify and address evolving risks and opportunities in real time. This ensures the process remains practical, investment-relevant, and aligned with the firm's overall risk-return objectives.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

(2) Active - fundamental

(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process

(1) in all cases

(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process

(1) in all cases

(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

(3) Active - fundamental

(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors

(1) in all cases

(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors

(1) in all cases

(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability

(1) in all cases

(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors

(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process

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ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

In FY25, Pella incorporated ESG factors into its equity selection and research process through a structured approach that combines third-party data, internal analysis, and judgement-based application. One illustrative example is the team's assessment of a global technology hardware company operating in the data centre infrastructure space. At face value, the company met all of Pella's ESG thresholds, including a BBB MSCI ESG rating and no breaches of our exclusion screens. However, internal research raised concerns related to labour practices in its global supply chain and the company's exposure to forced labour risks in high-risk geographies. The company had limited disclosure on supplier audits, grievance mechanisms for workers, and human rights due diligence.

Despite its acceptable external ESG rating, Pella conducted a deeper review and identified ongoing controversies relating to working conditions and allegations of insufficient oversight of third-party labour providers. The company had been flagged in real-time controversy tracking for 'Controversial Working Conditions' and 'Supply Chain Labour' issues. In response, the analyst recommended applying a risk premium to the company's valuation and reducing its position size relative to other holdings with comparable financial characteristics but stronger ESG credentials. Pella also initiated direct engagement with the company to seek clarity on its approach to labour rights and transparency within its supply chain. The investment was retained in the portfolio, but at a lower weight, with a standing commitment to reassess the position if the company failed to demonstrate progress. This example demonstrates how Pella integrates ESG data with internal judgement to go beyond ratings, avoiding over-reliance on third-party assessments and ensuring that the portfolio remains aligned with both our investment and responsible investment objectives.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

(3) Active - fundamental

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(2) Active - fundamental

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.

Pella’s approach to ESG integration is grounded in the view that environmental, social, and governance risks are fundamentally financial risks. Rather than treating ESG as a parallel framework, Pella incorporates these factors directly into its investment analysis to improve risk-adjusted returns and preserve capital over the long term. An example from FY25 illustrates this approach. During the year, Pella assessed a global industrial equipment manufacturer that scored well on traditional ESG ratings, including an A MSCI ESG rating. However, internal analysis revealed the company had significant exposure to unsafe working conditions and weak health and safety enforcement across its offshore operations.

These concerns were supported by controversy flags under ‘Controversial Workplace Accidents’ and ‘Labour Practices’ categories, which indicated not only elevated social risk but also potential for operational disruption, regulatory fines, and reputational damage. Pella adjusted the company’s valuation by applying a risk premium to reflect these unmanaged risks and reduced the position size accordingly. Shortly thereafter, the company was involved in a high-profile worker fatality at one of its manufacturing facilities, triggering regulatory scrutiny and a material sell-off in its share price. By incorporating ESG indicators early—despite the company’s favourable headline ESG score—Pella reduced portfolio exposure and preserved capital. This example underscores Pella’s belief that ESG integration is not ideological, but analytical.

It reflects a conviction that ESG risks and opportunities are inseparable from long-term financial performance. As explained in greater detail in our insight piece, **[ESG Investing is Pure Capitalism]*(<https://www.pellafunds.com/insight/esg-investing-is-pure-capitalism/>), ESG analysis is a tool to better understand the full spectrum of risks and returns that drive asset prices across sectors and geographies. Pella applies this same philosophy across the portfolio—treating ESG as an input into forecasting cash flows, assessing management quality, and calibrating valuation multiples—ensuring that each investment satisfies both financial and sustainability objectives.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

(A) Sustainability outcome #1

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

(1) Environmental

(2) Social

(3) Governance-related

(4) Other

(3) Sustainability outcome name

Climate Change Mitigation

(4) Number of targets set for this outcome

(1) No target

(2) One target

(3) Two or more targets

(B) Sustainability outcome #2

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

- (2) Classification of sustainability outcome
- (1) **Environmental**
 - (2) Social
 - (3) Governance-related
 - (4) Other
- (3) Sustainability outcome name
- Climate Impact Audit
- (4) Number of targets set for this outcome
- (1) No target
 - (2) **One target**
 - (3) Two or more targets
- (C) Sustainability outcome #3**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) **The UN Sustainable Development Goals (SDGs) and targets**
 - (2) The UNFCCC Paris Agreement
 - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - (5) The EU Taxonomy
 - (6) Other relevant taxonomies
 - (7) The International Bill of Human Rights
 - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - (9) The Convention on Biological Diversity
 - (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- (1) Environmental
 - (2) **Social**
 - (3) Governance-related
 - (4) Other
- (3) Sustainability outcome name
- Decent Work Conditions
- (4) Number of targets set for this outcome
- (1) No target
 - (2) **One target**
 - (3) Two or more targets
- (D) Sustainability outcome #4**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) **The UN Sustainable Development Goals (SDGs) and targets**
 - (2) The UNFCCC Paris Agreement
 - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - (5) The EU Taxonomy
 - (6) Other relevant taxonomies
 - (7) The International Bill of Human Rights
 - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - (9) The Convention on Biological Diversity
 - (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- (1) Environmental
 - (2) **Social**
 - (3) Governance-related
 - (4) Other

(3) Sustainability outcome name

Encourage Workforce Diversity

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

(E) Sustainability outcome #5

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- (1) The UN Sustainable Development Goals (SDGs) and targets
- (2) The UNFCCC Paris Agreement
- (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (5) The EU Taxonomy
- (6) Other relevant taxonomies
- (7) The International Bill of Human Rights
- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) Environmental
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

UN Global Compact signatory

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

(F) Sustainability outcome #6

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- (1) The UN Sustainable Development Goals (SDGs) and targets
- (2) The UNFCCC Paris Agreement
- (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (5) The EU Taxonomy
- (6) Other relevant taxonomies
- (7) The International Bill of Human Rights
- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) Environmental
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

Females board representation

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

(G) Sustainability outcome #7

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- (1) The UN Sustainable Development Goals (SDGs) and targets
- (2) The UNFCCC Paris Agreement
- (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (5) The EU Taxonomy
- (6) Other relevant taxonomies
- (7) The International Bill of Human Rights
- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) Environmental
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

SBTi alignment

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

(H) Sustainability outcome #8

(I) Sustainability outcome #9

(J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	Climate Change Mitigation
(1) Target name	Portfolio carbon intensity
(2) Baseline year	2023
(3) Target to be met by	2026
(4) Methodology	Portfolio carbon emissions intensity compared to the Fund's Benchmark carbon emissions intensity.

(5) Metric used (if relevant)	Carbon emissions (scope 1 and scope 2) relative to enterprise value and relative to revenue
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	Portfolio carbon intensity was 60-70% lower than the Benchmark's carbon intensity
(8) Target level or amount (if relevant)	Portfolio carbon intensity to be at least 70% lower than the Benchmark carbon intensity
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(1) Yes
(B1) Sustainability Outcome #2: Target details	
(B1) Sustainability Outcome #2:	Climate Impact Audit
(1) Target name	Climate impact audit
(2) Baseline year	2023
(3) Target to be met by	2026
(4) Methodology	Calculate the percentage of Pella's investment portfolio that engages in an annual environmental audit. Calculated using a binary measure of whether an investee conducts an environmental audit and the average weight of each investee in the portfolio over the reporting period.
(5) Metric used (if relevant)	Binary (yes/no) whether the investee conducts an annual environmental audit. Average weight of each position in the portfolio over the reporting year.
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	46%
(8) Target level or amount (if relevant)	>50%

(9) Percentage of total AUM covered in your baseline year for target setting 100%

(10) Do you also have a longer-term target for this? (1) Yes

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3: Decent Work Conditions

(1) Target name Labour policy

(2) Baseline year 2023

(3) Target to be met by 2026

(4) Methodology Calculate the percentage of Pella's investment portfolio that has a labour policy. Calculated using a binary measure of whether an investee has a labour policy or not, and the average weight of each investee in the portfolio over the reporting period.

(5) Metric used (if relevant) Binary (yes/no) whether the investee has a human rights policy. Average weight of each position in the portfolio over the reporting year.

(6) Absolute or intensity-based (if relevant) (1) Absolute

(7) Baseline level or amount (if relevant): 93%

(8) Target level or amount (if relevant) 100%

(9) Percentage of total AUM covered in your baseline year for target setting 100%

(10) Do you also have a longer-term target for this? (1) Yes

(D1) Sustainability Outcome #4: Target details

(D1) Sustainability Outcome #4: Encourage Workforce Diversity

(1) Target name Workforce diversity program

(2) Baseline year	2023	
(3) Target to be met by	2026	
(4) Methodology	Calculate the percentage of Pella's investment portfolio that has workforce diversity programs. Calculated using a binary measure of whether an investee has workforce diversity programs or not, audit and the average weight of each investee in the portfolio over the reporting period.	
(5) Metric used (if relevant)	Binary (yes/no) whether the investee has a workforce diversity program(s). Average weight of each position in the portfolio over the reporting year.	
(6) Absolute or intensity-based (if relevant)		(1) Absolute
(7) Baseline level or amount (if relevant):	57%	
(8) Target level or amount (if relevant)	70%	
(9) Percentage of total AUM covered in your baseline year for target setting	100%	
(10) Do you also have a longer-term target for this?		(1) Yes

(E1) Sustainability Outcome #5: Target details

(E1) Sustainability Outcome #5:	UN Global Compact signatory	
(1) Target name	UNGC signatories	
(2) Baseline year	2022	
(3) Target to be met by	2026	
(4) Methodology	Calculate the percentage of Pella's investment portfolio that is a UNGC signatory. Calculated using a binary measure of whether an investee is a UNGC signatory or not, audit and the average weight of each investee in the portfolio over the reporting period.	
(5) Metric used (if relevant)	Binary (yes/no) whether the investee has a UNGC signatory Average weight of each position in the portfolio over the reporting year.	

(6) Absolute or intensity-based (if relevant)		(1) Absolute
(7) Baseline level or amount (if relevant):	43%	
(8) Target level or amount (if relevant)	>50%	
(9) Percentage of total AUM covered in your baseline year for target setting	100%	
(10) Do you also have a longer-term target for this?		(1) Yes

(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	Females board representation	
(1) Target name	Female board representation	
(2) Baseline year	2023	
(3) Target to be met by	2026	
(4) Methodology	Calculate the percentage of Pella's investment portfolio with females comprising at least 30% of the number of directors on the investee's board of directors. Calculated using a binary measure of whether an investee has at least 30% female board representation, and the average weight of each investee in the portfolio over the reporting period.	
(5) Metric used (if relevant)	Binary (yes/no) whether the investee has at least 30% female board representation Average weight of each position in the portfolio over the reporting year.	
(6) Absolute or intensity-based (if relevant)		(1) Absolute
(7) Baseline level or amount (if relevant):	78%	
(8) Target level or amount (if relevant)	90%	
(9) Percentage of total AUM covered in your baseline year for target setting	100%	

(10) Do you also have a longer-term target for this?

(1) Yes

(G1) Sustainability Outcome #7: Target details

(G1) Sustainability Outcome #7:

SBTi alignment

(1) Target name

Portfolio is aligned with SBTi

(2) Baseline year

2024

(3) Target to be met by

2030

(4) Methodology

We measure the proportion of the portfolio that is either SBTi committed or SBTi approved

(5) Metric used (if relevant)

Binary (yes/no) - each position is SBTi committed or SBTi approved

(6) Absolute or intensity-based (if relevant)

(1) Absolute

(7) Baseline level or amount (if relevant):

(8) Target level or amount (if relevant)

100% of the portfolio either SBTi committed or SBTi approved target

(9) Percentage of total AUM covered in your baseline year for target setting

100%

(10) Do you also have a longer-term target for this?

(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: Climate Change Mitigation	Portfolio carbon intensity	2030	Carbon intensity at least 75% lower than the Benchmark
(B1) Sustainability Outcome #2: Climate Impact Audit	Climate impact audit	2030	80%
(C1) Sustainability Outcome #3: Decent Work Conditions	Labour policy	2030	100%
(D1) Sustainability Outcome #4: Encourage Workforce Diversity	Workforce diversity program	2030	90%
(E1) Sustainability Outcome #5: UN Global Compact signatory	UNGC signatories	2030	90%
(F1) Sustainability Outcome #6: Females board representation	Female board representation	2030	100%
(G1) Sustainability Outcome #7: SBTi alignment	Portfolio is aligned with SBTi		100

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: Climate Change Mitigation

Target name: Portfolio carbon intensity

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(B1) Sustainability outcome #2:

(B1) Sustainability outcome #2: Climate Impact Audit

Target name: Climate impact audit

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(C1) Sustainability outcome #3:

(C1) Sustainability outcome #3: Decent Work Conditions

Target name: Labour policy

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(D1) Sustainability outcome #4:

(D1) Sustainability outcome #4: Encourage Workforce Diversity

Target name: Workforce diversity program

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(E1) Sustainability outcome #5:

(E1) Sustainability outcome #5: UN Global Compact signatory

Target name: UNGC signatories

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(F1) Sustainability outcome #6:

(F1) Sustainability outcome #6: Females board representation

Target name: Female board representation

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(G1) Sustainability outcome #7:

(G1) Sustainability outcome #7: SBTi alignment

Target name: Portfolio is aligned with SBTi

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	Climate Change Mitigation
(1) Target name	Portfolio carbon intensity
(2) Target to be met by	2026
(3) Metric used (if relevant)	Carbon emissions (scope 1 and scope 2) relative to enterprise value and relative to revenue
(4) Current level or amount (if relevant)	As of June 25, the Fund's carbon intensity was 70% lower than the Benchmark's carbon intensity when measured relative to enterprise value, and 74% lower when measured relative to sales.
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	Pella calculates the carbon intensity of the Fund and the Benchmark monthly using MSCI company-level data, weighted by each company's respective representation in the Fund and Benchmark. These calculations are performed monthly and publicly reported to track progress.

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	Climate Impact Audit
(1) Target name	Climate impact audit
(2) Target to be met by	2026
(3) Metric used (if relevant)	Binary (yes/no) whether the investee conducts an annual environmental audit. Average weight of each position in the portfolio over the reporting year.
(4) Current level or amount (if relevant)	As of Jun-25, companies representing 38% of the Fund performed regular environmental audits, compared to the 33% in the Fund's Benchmark.

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress

Using MSCI data, Pella calculates the weight of companies in the Fund and the Benchmark that perform regular environmental audits. These calculations are performed monthly and publicly reported to track progress.

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3: Decent Work Conditions

(1) Target name Labour policy

(2) Target to be met by 2026

(3) Metric used (if relevant) Binary (yes/no) whether the investee has a human rights policy. Average weight of each position in the portfolio over the reporting year.

(4) Current level or amount (if relevant) As of Jun-25, companies representing 98% of the Fund had a Labour Policy that recognizes the rights of workers, compared to the 97% in the Fund's Benchmark.

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress

Using MSCI data, Pella calculates the weight of companies in the Fund and the Benchmark that have a Labour Policy recognizing the rights of workers. These calculations are performed monthly and publicly reported to track progress.

(D1) Sustainability Outcome #4: Target details

(D1) Sustainability Outcome #4: Encourage Workforce Diversity

(1) Target name Workforce diversity program

(2) Target to be met by 2026

(3) Metric used (if relevant) Binary (yes/no) whether the investee has a workforce diversity program(s). Average weight of each position in the portfolio over the reporting year.

(4) Current level or amount (if relevant) As of Jun-25, companies representing 70% of the Fund had a Workforce Diversity Policy, which recognizes the importance of workforce diversity, compared to the 65% in the Fund's Benchmark.

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress	Using MSCI data, Pella calculates the weight of companies in the Fund and the Benchmark that have a Workforce Diversity Policy, which recognizes the importance of workforce diversity. These calculations are performed monthly and publicly reported to track progress.
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(E1) Sustainability Outcome #5: Target details

(E1) Sustainability Outcome #5:	UN Global Compact signatory
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(1) Target name	UNGC signatories
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(2) Target to be met by	2026
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(3) Metric used (if relevant)	Binary (yes/no) whether the investee has a UNGC signatory Average weight of each position in the portfolio over the reporting year.
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(4) Current level or amount (if relevant)	As of Jun-24, companies representing 58% of the Fund were United Nations Global Compact signatories, compared to 46% in the Fund's Benchmark.
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(5) Other qualitative or quantitative progress	
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(6) Methodology for tracking progress	Using MSCI data, Pella calculates the weight of companies in the Fund and the Benchmark that are United Nations Global Compact signatories. These calculations are performed monthly and publicly reported to track progress.
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(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	Females board representation
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(1) Target name	Female board representation
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(2) Target to be met by	2026
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(3) Metric used (if relevant)	Binary (yes/no) whether the investee has at least 30% female board representation Average weight of each position in the portfolio over the reporting year.
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(4) Current level or amount (if relevant)	As of June 24, 72% of the companies within the Fund had at least 30% female representation on their boards of directors, compared to 73% of companies in the Fund's Benchmark.
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(5) Other qualitative or quantitative progress	
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(6) Methodology for tracking progress	Using MSCI data, Pella calculates the weight of companies in the Fund and the Benchmark that have at least 30% female representation on their board of directors. These calculations are performed monthly and publicly reported to track progress.
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(G1) Sustainability Outcome #7: Target details

(G1) Sustainability Outcome #7:	SBTi alignment
(1) Target name	Portfolio is aligned with SBTi
(2) Target to be met by	2030
(3) Metric used (if relevant)	Binary (yes/no) - each position is SBTi committed or SBTi approved
(4) Current level or amount (if relevant)	12% of the portfolio is SBTi committed and 58% is SBTi approved
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	We track reported SBTi status for each position

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (B) Stewardship: engagement with external investment managers
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (C) Stewardship: engagement with policy makers
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (D) Stewardship: engagement with other key stakeholders
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (E) Capital allocation

- (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

In FY25, Pella used stewardship to take action on sustainability outcomes by actively participating in Climate Action 100+, a global investor initiative targeting the largest corporate greenhouse gas emitters. Through this platform, Pella collaborated with other institutional investors to engage high-impact companies on improving climate-related disclosures, governance, and emissions reduction targets. Pella participated in joint investor engagements with selected focus companies, where we supported calls for credible net zero transition plans, alignment of capital allocation with the goals of the Paris Agreement, and improved board oversight of climate-related risks.

These engagements allowed Pella to contribute to coordinated pressure on companies that are central to the low-carbon transition and to advocate for science-based targets and enhanced transparency on Scope 1, 2, and material Scope 3 emissions. In addition to collective engagement, Pella reinforced these efforts through proxy voting. In FY25, we supported shareholder resolutions aligned with Climate Action 100+ objectives, including those requesting improved climate disclosure, third-party audits of transition plans, and votes against directors at companies failing to meet minimum climate governance expectations.

By engaging through Climate Action 100+, Pella was able to amplify its voice, access more detailed company data, and participate in structured engagement dialogues aimed at securing measurable improvements in sustainability performance. This collaboration remains an important part of Pella's stewardship strategy to help mitigate systemic climate risks and contribute to improved sustainability outcomes across high-emitting sectors.

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (9) Other

(3) Example

In FY25, Pella implemented its stewardship strategy through a structured combination of engagement, proxy voting, collaboration, and escalation, all aimed at improving sustainability outcomes and mitigating material ESG risks across the portfolio. One example was Pella's engagement with Vertiv following a downgrade in its ESG rating. The downgrade raised concerns about labour oversight and workplace safety, particularly in its supply chain operations.

In response, Pella initiated a direct dialogue with the company, requesting improved disclosure and stronger governance around these risks. As a result of this engagement, Vertiv committed to enhancing its supplier audit processes and released updated information on its labour practices, which Pella continues to monitor for follow-through. Pella also used proxy voting in FY25 to support proposals aligned with sustainability goals.

At Amazon's annual general meeting, Pella voted *for* a shareholder proposal requesting a third-party review of the board's oversight of human rights risks associated with AI. The vote reflected concerns about the potential for AI-related technologies to cause unintended harm and the need for stronger governance frameworks to manage these risks.

Similarly, at Microsoft, Pella voted *for* two shareholder resolutions—one requesting greater transparency around risks related to AI-generated misinformation, and another calling for clearer disclosure on how the company sources third-party data to train its large language models. Both votes were aimed at encouraging better safeguards and accountability in emerging technology use.

At Midea's AGM, Pella voted in favour of a proposal to improve working conditions on construction sites—an issue of particular relevance given the use of third-party contractors. Although the resolution was not supported by management, Pella backed it as consistent with our principles on safe and equitable labour practices across supply chains. In addition to company-level engagement, Pella continued its collaborative stewardship efforts through participation in Climate Action 100+. During FY25, Pella joined other institutional investors in coordinated engagements with systemically important emitters. These engagements focused on improving climate disclosures, setting credible net zero targets, and ensuring that corporate strategies were aligned with the goals of the Paris Agreement. Participation in this initiative allowed Pella to extend its influence on climate-related risks and reinforce expectations with high-emitting companies.

Together, these actions demonstrate Pella's approach to stewardship as an active, outcomes-focused discipline. Whether through engagement, voting, or collaboration, the objective remains the same: to prevent or mitigate negative sustainability outcomes and support long-term, responsible value creation.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Climate Change Mitigation

(1) Describe your approach Pella's policy is to always vote in favour of pro-environment resolutions at shareholder meetings.

(2) Stewardship tools or activities used (2) (Proxy) voting at shareholder meetings

(3) Example

Pella voted FOR the proposal for Amazon to disclose all material Scope 3 emissions. Unlike many of its peers, Amazon does not report emissions from third-party sales, which could expose the company to regulatory risk and reputational damage. Greater disclosure would improve transparency and allow shareholders to better assess Amazon's environmental risk profile and sustainability performance. Pella also voted FOR the proposal requesting a report on the impact of data centres on Amazon's climate commitments. A comprehensive assessment would help shareholders evaluate the credibility of the company's net-zero targets. Pella voted FOR a report on Amazon's efforts to reduce plastic packaging. Further information on this issue would help the company identify and mitigate environmental risks.

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: Climate Impact Audit

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Decent Work Conditions

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4: Encourage Workforce Diversity

(1) Describe your approach

Pella believes workplaces should be comprised of people from diverse backgrounds. As part of our review process, we examine the labor policy and, where possible, the diversity statistics of a company. Understanding the gaps in diversity is essential, but Pella believes it would be counterproductive to report on the hiring of persons with arrest or incarceration records, as this could create an additional barrier to those individuals' obtaining employment.

(2) Stewardship tools or activities used

(2) (Proxy) voting at shareholder meetings

(3) Example Pella voted AGAINST proposals to 'Report on Hiring of Persons with Arrest or Incarceration Records' at Adobe and Microsoft's AGM.

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5: UN Global Compact signatory

(1) Describe your approach Write to investees that are not UNGC signatories to encourage them to become signatories.

(2) Stewardship tools or activities used (1) Engagement

(3) Example On a semi-annual basis, Pella writes to every investee in its fund that is not a signatory of the UN Global Compact, encouraging them to join. This engagement includes a letter to the company's CEO or highest executive office, explaining the reasons for becoming a UNGC signatory and providing a draft letter on behalf of the investee to simplify the process. To date, Pella has successfully encouraged several prominent companies to become UNGC signatories.

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: Females board representation

(1) Describe your approach Pella's director nomination votes are materially influenced by the female representation on investees' board of directors. Where less than 30% of the board is composed of female directors, Pella might vote against the nomination of a male director, due to an over representation of males on that board.

(2) Stewardship tools or activities used (2) (Proxy) voting at shareholder meetings

(3) Example During the reporting period Pella was not entitled to participate in any AGM of a company whose board of directors with fewer than 30% female representation.

(H) Sustainability Outcome #7:

(H) Sustainability Outcome #7: SBTi alignment

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

Pella engages with regulators and policymakers when seeking to establish industry-wide rules. This process is multifaceted and involves several key steps to ensure our position is clearly communicated and supported by a broad coalition.

The engagement begins with a formal letter to the relevant regulatory bodies or policymakers. This letter outlines our position on the issue at hand, providing detailed arguments and evidence to support our stance.

To reinforce the importance and urgency of the matter, we may include a signed petition alongside the letter. This petition is designed to demonstrate wider support for our position, showing that there is a significant constituency that backs the proposed rule or regulation.

In addition to direct communication with regulators, Pella actively seeks the support of special interest groups.

These groups, which may include environmental organizations, consumer advocacy groups, and other non-governmental organizations, can provide additional leverage and amplify our message. By aligning with these groups, we can benefit from their expertise, resources, and established networks to influence the regulatory process more effectively.

Furthermore, Pella seeks collaboration with other stakeholders who share our goals. This includes forming alliances with like-minded investors, industry peers, and advocacy organizations. By creating a united front, we can present a stronger, more compelling case to regulators and policymakers. This collaborative approach ensures that our efforts are not seen as isolated or self-serving but as part of a broader movement towards sustainable and responsible industry practices.

Through these combined efforts—direct communication, petitioning, leveraging special interest groups, and forming strategic alliances—Pella aims to influence regulators and policymakers effectively. Our goal is to drive the adoption of rules and regulations that promote sustainability, transparency, and ethical practices across the industry.

(2) Engagement tools or activities used

(4) We engaged policy makers on our own initiative

Pella is actively seeking improved tobacco-related disclosures from retailers. During FY23, we wrote to all the retailers in which we had investments, requesting them to disclose the proportion of revenue generated from tobacco sales. Unfortunately, these companies declined our request, citing that such disclosures are not an industry standard.

(3) Example(s) of policies engaged on

In response, in FY24, Pella made a formal submission to the US Securities and Exchange Commission (SEC) requesting that the regulator establish a requirement for retailers to disclose their tobacco-related revenue. To strengthen our case, Pella also prepared and submitted a public petition supported by individuals who endorse the proposal. We reached out to non-governmental organizations, such as Tobacco Free Portfolios and As You Sow, seeking their support for the proposal. Additionally, we published the initiative on the UNPRI collaboration platform to garner backing from like-minded investors.

The SEC confirmed receipt of our submission, but we have not seen any progress on this front. Consequently, during FY25 we continued our efforts to push for greater transparency and accountability in tobacco-related revenue reporting. Through these persistent efforts, Pella aims to create a more informed and responsible investment landscape.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Climate Change Mitigation

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: Climate Impact Audit

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Decent Work Conditions

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4: Encourage Workforce Diversity

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5: UN Global Compact signatory

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: Females board representation

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(H) Sustainability Outcome #7:

(H) Sustainability Outcome #7: SBTi alignment

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

(A) Across all sustainability outcomes

(1) Key stakeholders engaged

(1) Standard setters

(2) Provide further detail on your engagement

Pella is actively seeking improved tobacco-related disclosures from retailers. During FY23, we wrote to all the retailers in which we had investments, requesting them to disclose the proportion of revenue generated from tobacco sales. Unfortunately, these companies declined our request, citing that such disclosures are not an industry standard.

In response, in FY24, Pella made a formal submission to the US Securities and Exchange Commission (SEC) requesting that the regulator establish a requirement for retailers to disclose their tobacco-related revenue. To strengthen our case, Pella also prepared and submitted a public petition supported by individuals who endorse the proposal. We reached out to non-governmental organizations, such as Tobacco Free Portfolios and As You Sow, seeking their support for the proposal. Additionally, we published the initiative on the UNPRI collaboration platform to garner backing from like-minded investors.

The SEC confirmed receipt of our submission, but we have not seen any progress on this front. Consequently, during FY25, we continued our efforts to push for greater transparency and accountability in tobacco-related revenue reporting. Through these persistent efforts, Pella aims to create a more informed and responsible investment landscape.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

Climate Change Mitigation

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:

Climate Impact Audit

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Decent Work Conditions

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4: Encourage Workforce Diversity

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5: UN Global Compact signatory

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: Females board representation

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(H) Sustainability Outcome #7:

(H) Sustainability Outcome #7: SBTi alignment

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative	Mandatory reporting of tobacco-related revenue
(2) Indicate how your organisation contributed to this collaborative initiative	(A) We were a lead investor in one or more focus entities (e.g. investee companies)
(3) Provide further detail on your participation in this collaborative initiative	<p>Pella is actively seeking improved tobacco-related disclosures from retailers. During FY23, we wrote to all the retailers in which we had investments, requesting them to disclose the proportion of revenue generated from tobacco sales. Unfortunately, these companies declined our request, citing that such disclosures are not an industry standard.</p> <p>In response, in FY24, Pella made a formal submission to the US Securities and Exchange Commission (SEC) requesting that the regulator establish a requirement for retailers to disclose their tobacco-related revenue. To strengthen our case, Pella also prepared and submitted a public petition supported by individuals who endorse the proposal. We reached out to non-governmental organizations, such as Tobacco Free Portfolios and As You Sow, seeking their support for the proposal. Additionally, we published the initiative on the UNPRI collaboration platform to garner backing from like-minded investors.</p> <p>The SEC confirmed receipt of our submission, but we have not seen any progress on this front. Consequently, during FY25 we continued our efforts to push for greater transparency and accountability in tobacco-related revenue reporting. Through these persistent efforts, Pella aims to create a more informed and responsible investment landscape.</p>

(B) Initiative #2

(1) Name of the initiative	
(2) Indicate how your organisation contributed to this collaborative initiative	

(3) Provide further detail on your participation in this collaborative initiative

(C) Initiative #3

(1) Name of the initiative

(2) Indicate how your organisation contributed to this collaborative initiative

(3) Provide further detail on your participation in this collaborative initiative

(D) Initiative #4

(1) Name of the initiative

(2) Indicate how your organisation contributed to this collaborative initiative

(3) Provide further detail on your participation in this collaborative initiative

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (F) We did not verify the information submitted in our PRI report this reporting year

THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

- (A) Policy, governance and strategy
 - Select from dropdown list:
 - (1) Data assured
 - (2) Processes assured
 - (3) Processes and data assured
- (C) Listed equity
 - Select from dropdown list:
 - (1) Data assured
 - (2) Processes assured
 - (3) Processes and data assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

(1) Description of the third-party external assurance process

The information submitted in this PRI report was subject to third-party review through the Responsible Investment Association Australasia (RIAA) Certification Program. This process, known as the Independent Verification Process (IVP), assesses whether responsible investment strategies disclosed in public materials—such as PDSs and RI Manuals—are underpinned by formal, consistently applied processes. The IVP is not a formal assurance engagement and does not result in an assurance opinion. Instead, a Verifier appointed by RIAA applies Agreed Upon Procedures to test whether ESG factors are integrated into investment processes, whether RI strategies are systematically implemented, and whether appropriate monitoring mechanisms are in place. The Verifier reviews documentation and provides factual findings directly to RIAA. In May 2025, Pella Funds Management completed the IVP for the Pella Global Generations Fund, with RIAA confirming that no further action was required. This outcome affirms that the RI processes described in the PRI submission were independently reviewed and found to align with actual practice. The Verifiers are independent professionals with expertise in responsible investment. Their work is based on a methodology developed by RIAA and does not rely on formal assurance standards such as ISAE 3000. Reports are not shared with issuers and are not intended for public disclosure.

(2) Assurance standard(s) used by the third-party assurance provider

- (A) PAS 7341:2020
- (B) ISAE 3000 and national standards based on this
- (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
- (D) RevR6 (Assurance of Sustainability)
- (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
- (F) Accountability AA1000 Assurance Standard (AA1000AS)
- (G) IFC performance standards
- (H) SSAE 18 and SOC 1
- (I) Other national auditing/assurance standard with guidance on sustainability; specify:
- (J) Invest Europe Handbook of Professional Standards
- (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
- (L) AAF 01/20
- (M) AAF 01/06 Stewardship Supplement
- (N) ISO 26000 Social Responsibility
- (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
- (P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
- (Q) PCAF
- (R) NGER audit framework (National Greenhouse and Energy Reporting)
- (S) Auditor's proprietary assurance framework for assuring RI-related information
- (T) Other greenhouse gas emissions assurance standard; specify:

(3) Third-party external assurance provider's report that contains the assurance conclusion

<https://reporting.unpri.org/file/E8C396D9-63FB-447E-8020-9E995C1B2A34/>

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- (A) Policy, governance and strategy
 - Select from dropdown list:
 - (1) Data internally audited
 - (2) Processes internally audited
 - (3) Processes and data internally audited
- (C) Listed equity
 - Select from dropdown list:
 - (1) Data internally audited
 - (2) Processes internally audited
 - (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

Pella's Managing Director independently reviewed the entire submission.

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
 - Sections of PRI report reviewed
 - (1) the entire report
 - (2) selected sections of the report
- (B) Senior executive-level staff, investment committee, head of department, or equivalent
 - Sections of PRI report reviewed
 - (1) the entire report
 - (2) selected sections of the report
 - (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year