TRUST INVESTMENTS

For Good Investment

Whakahōutanga Haumi Tika

# Ethical Investment Update + Stewardship Report

AUGUST 2026

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# From our General Manager Investments

*Nā tō mātou Kaiwhakahaere Matua-Haumitanga*

## Matthew Goldsack

General Manager Investments

Ngā mihi nui ki a koutou,

Thank you for your continued trust, support and partnership.

I am pleased to share our latest Ethical Investment Update and Stewardship Report, which outlines how we continue to invest with purpose while pursuing strong long-term outcomes for our clients.

At Trust Investments, we believe investment capital can be a powerful force *for good*.

Our approach is founded on delivering sustainable investment performance over the long term while remaining aligned with the values and objectives of the organisations and communities we serve.

Through thoughtful portfolio construction, investment manager selection and partnerships, active stewardship, responsible ownership and engagement, we seek to support positive environmental, social and governance (ESG) outcomes alongside financial returns.

This report highlights the progress we have made over the past year, the stewardship activities undertaken across the Trust Management PIE Funds, and the practical steps we are taking to strengthen our ethical investment framework and industry leadership.

This report also reflects the feedback and perspectives shared by many of our clients, for which we are grateful.

We recognise that many of our clients invest in support of a purpose that extends well beyond investment returns alone. Whether supporting faith communities, charitable causes, education, social services or future generations, we remain committed to being thoughtful stewards of the capital entrusted to us and to helping our clients achieve the positive impact they seek to create.

Thank you again for the confidence you place in us.

We value the opportunity to walk alongside you and remain committed to delivering strong long-term outcomes while investing in a manner that reflects our shared values and aspirations.

Ngā manaakitanga,

*Matthew*

Matthew Goldsack
General Manager Investments
Trust Investments

# At a glance achievements

*He tirohanga iti*

## Trust Investments

**25 years**

Of Responsible Funds Management (Established 2001)

## Fund Growth

**$1.5b**

Assets Under Administration as at 31 March 2026

## Finalist

Mindful Money Award for Best Ethical Fund Provider 2026

## Proxy Votes

**7,400+**

Number of votes cast across the equity funds for the 12 months to December 2025

## Finalist

Mindful Money Award for Best New Ethical or Impact Fund 2026

## Responsible Investment Leader

Responsible Investment Association Australasia (‘RIAA’) – Responsible Investment Leader 2026

# Who We Are

*Ko wai mātou*

**Built on Trust.**

**Our mission is to generate sound investment performance whilst delivering on environmental, social and governance objectives. We believe that companies with sustainable practices are better positioned for long-term success.**

We are a New Zealand-based fund manager committed to ethical investing, managing a range of PIE funds that are built to perform.

Our investment philosophy is grounded in three core principles:

**Performance First:** We prioritise strong, risk-managed returns through disciplined portfolio construction, blending active and indexed strategies, leveraging global and local expertise, across private and listed markets.

**Values-Aligned Exclusions:** We aim to exclude investments that conflict with our ethical standards and those of our clients, ensuring portfolios reflect shared values.

**Purposeful Stewardship**: We actively engage with industry participants and bodies to drive positive change, using our influence to promote sustainability, accountability, and long-term value creation.

By blending performance with ethical investing, we can help clients grow their investments in a way that's meaningful - helping to create a lasting impact for generations to come.

# Ethical Investment Principles

*Mātāpono Haumitanga Matatika*

## Kaitiakitanga | Care for the Environment

It is important that we take care of the environment to help nature thrive and to maintain the delicate balance necessary to sustain life on this planet. This includes protecting our natural resources and biodiversity, reducing air pollution and waste, and combatting climate change.

## Manaakitanga | Care for the Community

We believe everyone has a responsibility to do no harm, and to care for our fellow tāngata (people) and ourselves. Everyone deserves to have good health and wellbeing, as well as to live in an inclusive, safe and sustainable community.

## Kotahitanga | Care for Equality

Society is founded on the idea of fairness and equality. Every person has the right to equal and fair treatment, independent of their gender, race, age, religious belief or sexual orientation. As a result people feel socially connected, are able to participate and contribute to their community to create a safer, and more prosperous and harmonious society.

# Memberships & Stewardships

*Nga Mema me nga Tiakitanga*

Principles for Responsible Investment

## PRI declaration | Whakapuakanga PRI

We are a signatory to the Principles for Responsible Investment (PRI). As a signatory to the PRI, we have committed to adopt and implement the following principles:

- We will incorporate ESG issues into our investment analysis and decision-making processes
- We will be active owners and incorporate ESG issues into our ownership policies and practices
- We will seek appropriate disclosure on ESG issues by the entities in which we invest
- We will promote acceptance and implementation of the Principles within the investment industry
- We will work together to enhance our effectiveness in implementing the Principles
- We will report on our activities and progress towards implementing the Principles

Responsible Investment Association Australasia

## RIAA membership | Mematanga RIAA

We are a member of the Responsible Investment Association Australasia (RIAA), the largest and most active network of people and organisations engaged in responsible, ethical and impact investing across Australia and Aotearoa New Zealand.

We support RIAA's mission of ensuring capital is aligned with achieving a healthy and sustainable society, environment and economy.

STEWARDSHIP CODE AOTEAROA NEW ZEALAND

## Aotearoa New Zealand Stewardship Code membership | Mematanga Kawa Kaitiaki o Aotearoa

Trust Management is a founding signatory of Aotearoa New Zealand's Stewardship Code. The Stewardship Code was developed by the investment industry to strengthen engagement and active ownership practices, supporting the goals of responsible ownership and creating and preserving sustainable value for current and future generations.

As a signatory to the Stewardship Code, we commit to principles including active ownership, incorporating material ESG matters into stewardship, voting responsibly, collaborating for change, education, and transparency.

To find out more about PRI, RIAA and Aotearoa New Zealand Stewardship Code, you can visit their websites at: www.unpri.org, www.responsibleinvestment.org, or www.stewardshipcode.nz

# Kia mau ki te tokanganui a noho.

There is no place like home.

# ESG Objectives by Fund

*Ngā whāinga*

## Trust Management ESG NZ Bond Fund

*Tahua Monihere o Aotearoa*

The ESG NZ Bond Fund invests directly in a diversified portfolio of New Zealand fixed interest securities. The strategy has a preference to invest in green, social and other ESG-linked bonds where these are considered appropriate from a risk and return perspective. The fund applies Trust Investments' ethical investment exclusions as set out in the Ethical Investment Policy and Statement of Investment Policy and Objectives (SIPO).

amova Asset Management

## Trust Management ESG Australasian Share Fund

*Tahua Pānga Ahitereihia*

The ESG Australasian Share Fund invests directly in New Zealand and Australian companies that meet Trust Investments' ethical investment criteria. ESG considerations are integrated into the investment process, with a preference for companies assessed as having stronger ESG characteristics relative to comparable companies. The fund also seeks to maintain a lower carbon intensity than its benchmark over time.

Harbour ASSET MANAGEMENT *

## Trust Management ESG International Bond Fund

*Tahua Monihere ā-Ao*

The ESG International Bond Fund invests through an underlying specialist investment manager. The strategy allocates capital to a combination of impact-focused bonds and issuers assessed as demonstrating leadership on material ESG factors relative to their peers. Impact-focused investments include bonds that finance projects in areas such as renewable energy, natural resources, community and economic development, and affordable housing. Trust Investments undertakes oversight of the underlying manager and monitors continued alignment with its Ethical Investment Policy.

nuveen A TIAA Company

## Trust Management ESG International Share Fund

*Tahua Pānga ā-Ao*

The ESG International Share Fund invests through an underlying specialist investment manager that incorporates ESG and climate-related considerations into its investment process. The underlying strategy favours companies with stronger ESG characteristics and targets lower exposure to carbon emissions and fossil fuel-related activities relative to its benchmark index. The underlying strategy includes a greater allocation to companies generating revenues from products and services associated with environmental solutions relative to its benchmark. Trust Investments monitors the underlying manager's continued alignment with its Ethical Investment Policy.

STATE STREET INVESTMENT MANAGEMENT

** On 7 July 2026, management responsibilities for the Trust Management ESG Australasian Share Fund were transitioned from Harbour Asset Management to Devon Funds Management.*

# Trust Management Property Fund

*Tahua Āhuatanga*

The Property Fund invests directly in a diversified portfolio of New Zealand commercial properties. ESG considerations are incorporated into property acquisition, ownership and management decisions. This includes consideration of tenant activities, engagement with tenants and service providers, and initiatives aimed at improving the overall ESG characteristics of the portfolio. The fund applies ethical investment criteria when assessing new property acquisitions and excludes properties where major tenants derive significant revenue from activities restricted under Trust Investments' Ethical Investment Policy.

TRUST INVESTMENTS
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# Stewardship Framework

*Anga Kaitiakitanga*

Stewardship is embedded within Trust Investments' manager-of-managers investment approach and is a core mechanism for overseeing environmental, social and governance outcomes across portfolios.

Trust Investments is a founding signatory to the Aotearoa New Zealand Stewardship Code and publishes an annual Stewardship Code Report outlining stewardship activities and engagement outcomes.

### What we do

Stewardship responsibilities are implemented through:

- monitoring stewardship practices of appointed investment managers
- reviewing proxy voting activity and engagement reporting
- participating in collaborative engagement initiatives
- advocating for responsible investment policies
- engaging directly with tenants and service providers within internally managed property assets.

Where external managers are appointed, stewardship policies are assessed as part of the manager selection process. Managers are expected to maintain robust proxy voting frameworks and active engagement programmes.

For details of our Manager Monitoring Framework please see our website here.

### How we undertake Stewardship

Stewardship within the investment funds is undertaken through a combination of direct and indirect activities.

For direct property investments, we engage directly with tenants, service providers, and partners in relation to governance, health and safety, environmental management, and long-term asset performance.

Where we select best-in-class specialist underlying managers to manage listed assets (shares and bonds), those specialist investment managers undertake stewardship activities and we have a monitoring role. The managers undertake proxy voting and direct engagement with investee companies. Our role is to oversee, assess and influence these activities through manager selection, ongoing monitoring, and targeted engagement on stewardship practices, transparency, and risk management.

# Proxy Voting for Trust Management PIE Funds

*Tahua PIE Whakahaere Tarahiti Pōtitanga tukuatu*

### Approach

Proxy voting for listed equities is undertaken by the appointed managers in accordance with their published proxy voting policies. We review voting records and stewardship activities to assess and monitor voting behaviour, engagement priorities and ESG outcomes.

### What we monitor

Alignment with policies, key themes, any escalation flags.

### Reporting

Proxy voting is a key way our underlying fund managers exercise ownership rights on behalf of investors in the funds, so we report how they vote:

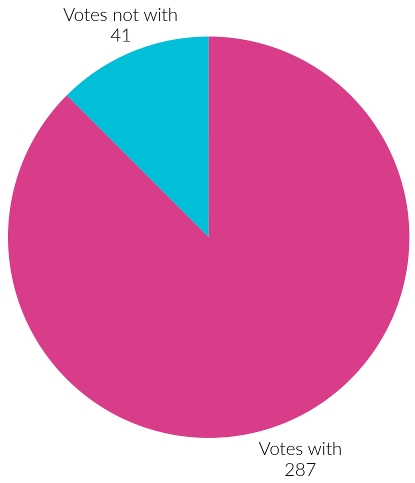
- votes with management indicate alignment with the board's recommendations - often a sign a company is already well governed,
- while votes against (or not with) management demonstrate independent judgement and a willingness to challenge boards where a proposal is not in investors' best interests, such as on remuneration, director appointments or ESG concerns; comparing these votes against an independent proxy adviser (ISS) further shows that managers are forming their own considered view rather than simply following external advice, giving investors confidence that voting rights are being applied deliberately, in line with each manager's published policy, to protect long-term value.

## Trust Management ESG Australasian Share Fund

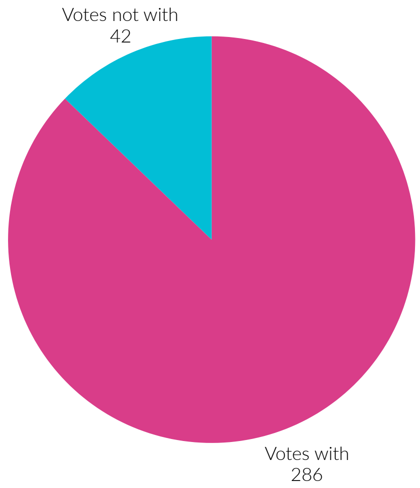
*Tahua Pānga Ahitereihia*

Harbour ASSET MANAGEMENT

Proxy Voting proportion compared to Management Recommendations
(year to 31 December 2025)



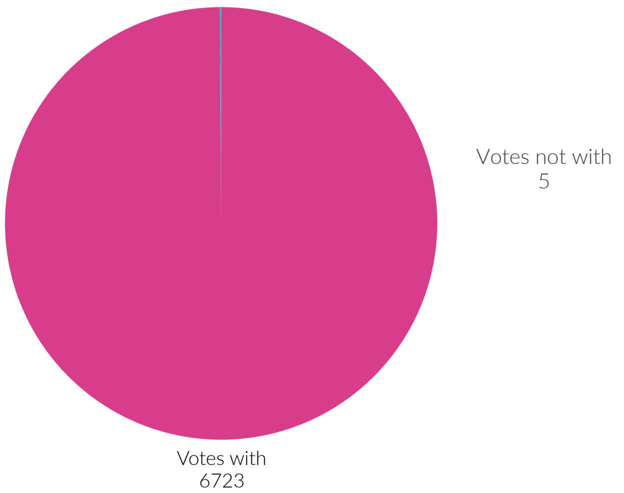

Proxy Voting proportion compared to third party (ISS) Recommendations
(year to 31 December 2025)



## Trust Management ESG International Share Fund

*Tahua Pānga ā-Ao*

Proxy Voting proportion compared to Management Reccommendations
(year to 31 December 2025)




## Trust Management ESG International Bond Fund

*Tahua Monihere ā-Ao*

Nuveen assesses stewardship outcomes through a transparency, accountability and impact framework, recognising that company change is typically incremental and achieved over several years. Outcomes are recorded where engagement has contributed to improved disclosure, stronger governance and oversight, or measurable progress against environmental or social objectives.

Examples reported in 2025 included enhanced ESG disclosures, board and management changes, strengthened governance practices, and progress towards stated sustainability targets.

## Impact Case Study: Amazonia Bond

- **Purpose:** coordinated, sustainable & inclusive development across the Amazon region.
- **Use of proceeds:** initiatives to support livelihoods, strengthen resilience, promote sustainable forest management & protect biodiversity.
- **Approach**: focus on a sustainable economy and inclusion of local communities in decisions/outcomes.
- **Examples:** Brazil enforcement capacity; Guyana sustainable farming; AmazoniaForever360+ (geospatial data platform).
- **Issuance:** USD 100m 5-yr (2030) and AUD 1bn 5-yr (2031).
- **Framework / reporting:** framework co-developed with World Bank; reporting anticipated to emphasise outcomes vs outputs.

IADB 3.802 11/12/30
IADB 4.6 07/21/31

# Engagement with Underlying Investment Managers

*Te Mahi Tahi me ngā Kaiwhakahaere Haumitanga ō-Raro*

### How we engage

Engagement with appointed investment managers focuses on strengthening transparency, improving ESG reporting quality, and ensuring material risks are being actively monitored and addressed. For details of our Manager Monitoring Framework please see our website here.

While many engagements are ongoing and incremental in nature, they strengthen oversight of underlying investment managers and support better informed investment decision-making. Trust Investments continues to track engagement progress through manager reporting, proxy voting disclosures, and stewardship reviews.

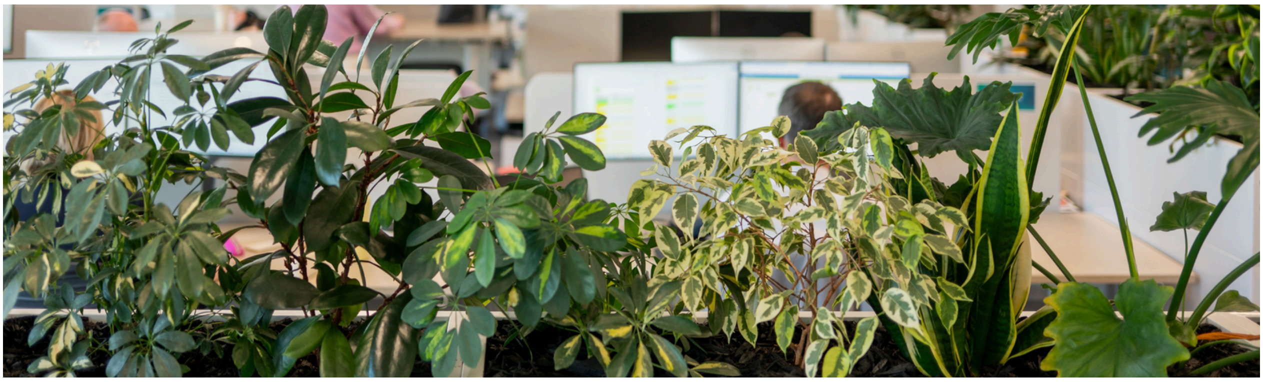
### What we focus on

- Governance
- Human and labour rights
- climate risk
- data/privacy

### Summary

Examples of engagement topics and resulting reported improvements we have observed/requested.

- Improved ESG reporting transparency from underlying investment managers, including commitments to provide clearer summaries of quarterly carbon reviews and engagement activity to support stewardship reporting.
- Enhanced disclosure and clarification of ESG integration practices, such as how engagement activities are classified and reported across environmental, social and governance themes.
- Additional due diligence on emerging ESG risks, including data privacy and security practices at portfolio companies such as Life360, where underlying managers engaged directly with company management to clarify policies on location data use, biometric verification, and law-enforcement access.
- Deeper assessment of climate and physical risk exposure, including underlying managers engagement with companies such as Scales Corporation regarding the impact of flooding, drought risk, and long-term climate resilience within horticulture operations.



# Case Study: Amova Asset Management

Over the past two years, we had various discussions with Amova around strengthening cultural capability, including the importance of upholding tikanga Māori in conferences and events, and uplifting internal capability, research, and strategic focus in this area.

These engagements formed part of our strong promotion of broader industry dialogue on aligning investment practice with Te Ao Māori and the principles of Te Tiriti o Waitangi.

Over this period, we observed Amova's leadership in this important area, including the introduction of internal training initiatives, greater use of practices such as karakia in meetings, and efforts to build staff understanding through activities like the Maungawhau walk, alongside the development of a more formal programme of work in this space.

Pleasingly, Amova's leadership in this area also reflects a wider shift across the financial services ecosystem to acknowledging the importance of tikanga Māori in building a healthy and inclusive financial system and leaning on indigenous people's knowledge and practices to address critical risks including climate change.

# Case Study: Nuveen

Nuveen is the underlying specialist fund manager for the Trust Management ESG International Bond Fund, managed via the Nuveen Global Sustainable Bond Fund.

Prior to appointing Nuveen in July 2025, we undertook comprehensive due diligence to assess the firm's responsible investment approach, stewardship capability and alignment with our clients' values. Since the transition, our focus has been on ongoing manager oversight and review of stewardship activities and outcomes.

Through this process, we reviewed Nuveen's stewardship framework and observed a structured, global and systematic approach to engagement, prioritised by materiality, exposure and risk. Engagement is delivered through direct issuer dialogue, thematic initiatives, and collaborative industry participation, with active involvement across both corporate and sovereign issuers.

In fixed income, we noted a strong emphasis on pre-issuance and ongoing engagement, including work with issuers and underwriters to strengthen sustainable bond frameworks, use-of-proceeds structures, and disclosure quality. This is complemented by engagement on governance, capital allocation, climate strategy and reporting practices.

Nuveen also participates in broader industry and policy engagement with regulators, Non-governmental organisations (NGOs) and investor groups to support improvements in market standards and sustainability practices.

Outcomes are tracked across transparency, accountability and impact, reflecting the multi-year nature of engagement. Reported results include improved disclosure practices, strengthened governance and emissions targets, and progress against climate-related objectives across issuers.

In aggregate, this activity supports improved risk management, stronger issuer practices, and more credible alignment between capital raising and sustainability outcomes. In fixed income portfolios specifically, it enhances the quality of sustainable bond frameworks, use-of-proceeds reporting and impact measurement.

## Case Study: State Street Investment Management

We have engaged with State Street Investment Management ('State Street') over a number of years on the evolution of its stewardship policies and practices. While index managers are sometimes perceived as having limited influence over portfolio companies, their role as long term investors can make their stewardship particularly significant. Companies increasingly recognise firms such as State Street as enduring investors and strategic stakeholders, rather than short term shareholders.

During the year, State Street introduced a dedicated Sustainability Stewardship Service and separate ESG-focused stewardship policy in response to growing client demand for more targeted sustainability engagement.

The service operates alongside State Street's core stewardship function, and includes dedicated engagement priorities across areas such as climate, human rights, nature and human capital management.

We view this as a constructive step forward and an example of investor engagement contributing to positive change. We will continue to engage with State Street as this enhanced stewardship approach develops over time.

## Case Study: Harbour Asset Management

As part of our ongoing stewardship and risk oversight responsibilities, we engaged with Harbour Asset Management to better understand key data privacy and security risks associated with Life360, a family safety and location-sharing application held within Harbour-managed portfolios.

This engagement was prompted by concerns around the potential misuse of user location data by third parties, including state actors, and the implications this may have for user trust and long-term value creation.

Through discussions with Harbour, we reviewed Life360's approach to privacy governance and data handling. Harbour shared that Life360 views user trust as fundamental to its business model and has taken steps to strengthen protections around sensitive location data.

Harbour also clarified that access to Life360 user data by law enforcement is limited to formal legal processes, requiring valid court-issued requests. This engagement provided additional comfort around the company's risk controls and reinforced the importance of continued monitoring of privacy, regulatory, and social licence risks as part of our broader ESG integration framework.

# Property Stewardship - Trust Management Property Fund

*Kaitiakitanga o ngā Papa - Tahua Āhuatanga*

### Measuring what we manage

The Trust Management Property Fund is the only Fund where we act as landlord - holding and operating physical assets ourselves. Because we manage these buildings directly rather than through an underlying manager, we can measure and manage our environmental footprint first hand. Trust Management has measured the Fund's landlord-controlled greenhouse gas (GHG) emissions annually since the Full Year (FY) 23 base year, and the Fund holds Toitū net carbonzero certification for those emissions and remains committed to the programme. In keeping with that commitment, this section passes through what our most recent inventory shows, including where emissions have risen, so investors have a clear and honest picture of the portfolio.

### FY 2026 emissions at a glance

The FY26 Greenhouse Gas Emissions Inventory and Management Report covers the Fund's landlord-controlled emissions for the period 1 April 2025 to 31 March 2026. Total gross and net emissions for FY26 were 79.46 $tCO_2e$, an increase from 11.28 $tCO_2e$ in FY25 and 14.39 $tCO_2e$ in the FY23 base year.

The increase was driven by two factors:

- Refrigerant losses from two HVAC leaks identified during routine maintenance, which accounted for the majority of direct emissions; and
- Higher landlord-controlled electricity consumption, largely associated with tenant changes, fit-out works and vacant tenancies exceeding one quarter of the reporting period where ongoing base-building operational requirements were necessary.

We report these openly. On a portfolio with a modest emissions base, a small number of one-off events can have an outsized effect in a single year, and we think it is more useful for investors to understand the drivers than to read a single number in isolation.

# Property Stewardship - Trust Management Property Fund

### How we are managing emissions

We continue to manage landlord-controlled emissions through improved HVAC monitoring, utility metering, energy-efficiency initiatives, LED upgrades and enhanced data-collection processes.

During the year we also commissioned whole-of-building "opportunity scans" at three industrial properties to identify practical, ranked opportunities across energy, metering and emissions reduction, including solar generation, sub-metering and lighting controls, which, at this stage, could also support building performance ratings such as NABERSNZ and Green Star over time.

### Focus Areas for 2027

Looking ahead, our key focus areas are:

- Strengthening HVAC leak detection and lifecycle planning;
- Reviewing base-building settings during periods of vacancy;
- Improving electricity and water metering; and,
- Continuing to develop Scope 3 emissions data capture across the wider portfolio.

### Partnership in action - Ngāti Whātua Ōrākei joint venture

Stewardship in the Property Fund extends beyond emissions data to how we work alongside our partners. At 105 Wiri Station Road, Wiri, the Fund holds a property through a joint venture with Ngāti Whātua Ōrākei. During the year, the parties established a joint committee to oversee the management of the property's affairs, meeting quarterly to guide decisions collaboratively.

We value this partnership as a practical expression of our ethical investment principles, particularly kaitiakitanga (care for the environment) and kotahitanga (working together), and as an opportunity to bring a Te Ao Māori perspective into how a real asset is governed and managed over the long term. At this stage the governance arrangements are still relatively new, and we look forward to the relationship and the shared oversight of the property continuing to develop over time.

# Principles for Responsible Investment (PRI) Report 2025

*Pūrongo mō ngā Mātāpono o te Haumitanga Matatika (PRI) 2025*

PRI reporting provides investors with an independent reference point for assessing how ESG considerations are incorporated into investment decision-making.

By measuring our practices against a globally recognised framework, investors in the Funds can better understand our approach to governance, stewardship and manager oversight, while also tracking our progress over time. The assessment supports transparency, comparability and continuous improvement across our responsible investment programme.

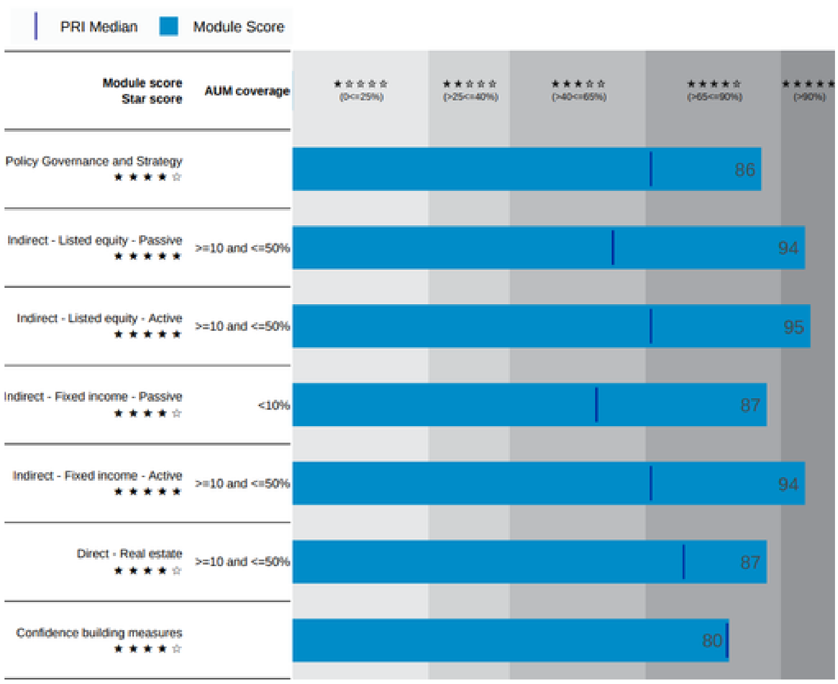
While PRI reporting was optional this year for signatories that reported in 2024, we elected to report on a voluntary basis. This reflects both the importance of ESG integration to our invested stakeholders and the value of using the PRI framework to assess how our practices compare with global peers over time.

The 2025 results show a modest but meaningful uplift on 2024 and continue to sit well above the global industry median score across all modules. Policy, Governance and Strategy, Listed Equity Passive, and Fixed Income Passive improved materially. Listed Equity Active remained strong at 95%.

The blue bars in the chart show our scores across modules, while the blue lines represent the global median.

The year-on-year uplift primarily reflects improvements in how existing practices are documented, monitored, and evidenced. In particular, the work undertaken in 2024 year to prepare for the Climate Risk Reporting regime allowed us to improve the quality of our conversations and monitoring practices with external managers.

Click here to explore the PRI Full Assessment Report 2025.



# 2026 Ethical Investment Client Survey insights

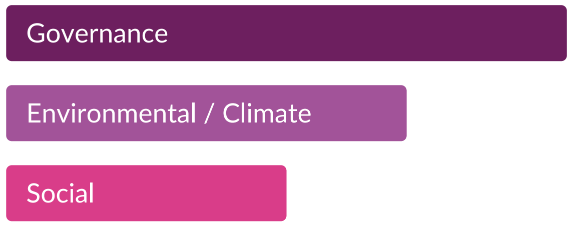
*Ngā Mōhiotanga o ngā Kiritaki*

**Clients back ESG integration, and want it applied in a way that is clear, practical and aligned to investment decisions.**

Our 2026 annual Ethical Investment Client Survey received 38 responses from trustees, board members and executives, up from 18 the year prior. This year, Environmental, Social and Governance (ESG) factors were assessed separately to better reflect how organisations consider each component.

The insights from survey guide our approach and discussions with underlying specialist fund managers, with a focus on clarity, decision-usefulness and alignment to client values, as expressed in the Ethical Investment Policy.

**Client ESG priorities (ranked)**




Client feedback continues to show strong support for incorporating responsible investment considerations into investment decisions, particularly good governance practices.
In response, we work closely with our underlying managers to ensure this is reflected in practice. For example, Harbour Asset Management, which was the underlying specialist fund manager for the Trust Management ESG Australasian Share Fund during the survey period, undertakes an annual Corporate Behaviour Survey, asking 80 questions of all listed New Zealand companies each year, where more than half of the assessment is focused on governance factors.

Verbatim feedback emphasised the importance of understanding risks and opportunities, and a clear preference for reporting that is practical, transparent and linked to investment decisions.
Recently, our engagement with underlying specialist fund managers has led to more targeted action on specific risks within portfolios.

Thank you for your time completing this survey, we also welcome questions and feedback from you at any time throughout the year. We are always happy to attend a hui or have a kōrero to discuss how we incorporate ESG considerations into investment processes.

Results reflect 38 respondents and may not represent all clients.

### You said

Reporting should be clear and decision-useful, with a practical focus on risks and opportunities.

→

### We did

Refreshed the Ethical Investment Update and quarterly Outlook to focus on practical insights linked to investment decisions.

# Advocacy, Market Development and System Leadership

*Kōkiri, Whanaketanga Mākete me te Hautūtanga Pūnaha*

Stewardship extends beyond individual investment decisions. Many of the environmental, social and governance risks that affect long-term investment outcomes are systematic in nature and cannot be addressed by a single investor acting alone. For this reason, Trust Investments contributes to industry initiatives, regulatory consultations and collaborative programmes that seek to strengthen market standards, improve transparency and support more effective stewardship across Aotearoa New Zealand.

### Supporting Better Disclosure and Governance

High-quality disclosure and strong governance help investors make more informed decisions, assess risks more effectively and allocate capital with greater confidence.

During the year, Trust Investments contributed to consultations on sustainability and climate-related reporting frameworks, including guidance developed by the Financial Markets Authority (FMA). We also participated in broader discussions relating to governance standards, transparency and accountability.

These areas are important because effective oversight, robust controls and clear disclosure help support market integrity and protect the long-term interests of investors.

### Addressing Long-Term Systematic Risk

Some investment risks cannot be diversified away because they affect entire markets, sectors or supply chains.

Modern slavery is one example. Beyond the significant human rights impacts involved, poor labour practices can expose companies and investors to operational, regulatory and reputational risks.

Trust Investments therefore participates in collaborative investor initiatives, including work coordinated through Investors Against Slavery and Trafficking APAC and the Responsible Investment Association Australasia (RIAA).

These initiatives support improved corporate practices, investor awareness and policy development intended to strengthen the management of modern slavery risks over time.

# Advocacy, Market Development and System Leadership

*Kōkiri, Whanaketanga Mākete me te Hautūtanga Pūnaha*

### Strengthening Stewardship Capability in Aotearoa

Effective stewardship relies on investors having the knowledge, skills and cultural understanding required to make informed decisions on behalf of beneficiaries.

Trust Investments supports initiatives that strengthen stewardship capability across the investment sector, including programmes that improve understanding of Te Ao Māori and its relevance to governance, stewardship and long-term investment thinking.

### Collaboration for Better Investor Outcomes

Trust Investments actively participates in industry working groups, professional forums and collaborative initiatives that promote responsible investment and stewardship practices.

This includes leadership roles within the RIAA Aotearoa Collaborative Working Group, the Aotearoa Stewardship Code and ongoing involvement in responsible investment and impact investing initiatives.

*"Investment decisions are made within a uniquely New Zealand context. Building a stronger understanding of Te Ao Māori helps investors engage more effectively with stakeholders, understand long-term risks and opportunities, and make decisions that better reflect the interests of the communities and beneficiaries they serve."*

*– Matthew Goldsack, General Manager - Investments*

During 2025, Trust Investments partnered with Foundation North and Maurea Consulting to deliver workshops for investment professionals exploring Te Tiriti o Waitangi, tikanga Māori and concepts such as manaakitanga and kaitiakitanga.

We also supported industry resources developed through RIAA and contributed to collaborative initiatives focused on strengthening stewardship practices in Aotearoa New Zealand.

We believe collaboration helps improve industry capability, encourages the sharing of good practice and supports more consistent stewardship standards across the investment system.

Over time, stronger stewardship practices contribute to better-informed investment decisions, more resilient markets and improved outcomes for long-term investors.

# Looking Ahead to 2026-2027

*He Tiro Whakamua ki 2026–2027*

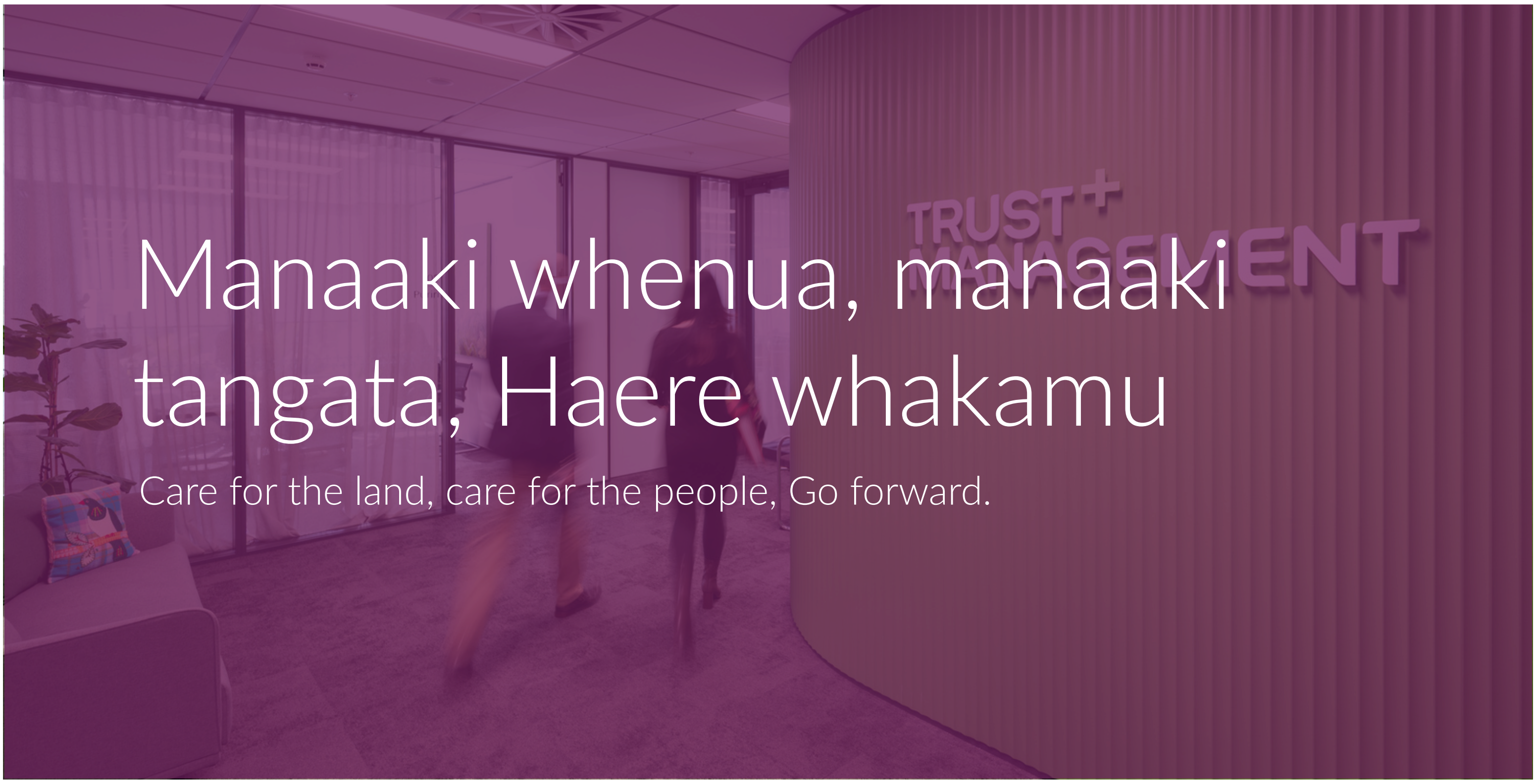
Looking ahead to 2026-2027, our focus remains on continuing to strengthen the integration of ethical investment and stewardship across portfolios, with particular emphasis on areas identified as most material to clients and long-term outcomes.

This includes ongoing development of internal capability, deepening oversight of underlying managers, and supporting the continued evolution of stewardship practices within a manager-of-managers framework.

We expect data availability and quality to remain an ongoing challenge across markets, particularly as disclosure standards continue to evolve. At the same time, regulatory developments and industry guidance will continue to shape expectations around transparency, comparability, and governance.

Client expectations are also evolving, with a continued emphasis on clear, decision-useful reporting and practical alignment between ESG considerations and investment outcomes.

Within this context, we continue to monitor emerging risks and opportunities across sectors, while working with underlying managers to ensure portfolios remain well-positioned to respond to changing market conditions.




Manaaki whenua, manaaki tangata, Haere whakamu

Care for the land, care for the people, Go forward.

# Aotearoa New Zealand Stewardship Code ('the Code') Alignment

*Te Tīaroarotanga o Ngā Ture Kaitiakitanga o Aotearoa ('ngā Ture')*

| Principle | Description | How Trust Investments Upholds Principle |
|---|---|---|
| **Be Committed** | Signatories will articulate how their investment philosophy, governance structures, and resourcing support the goals of effective stewardship. | Trust Investments is a founding signatory to the Aotearoa New Zealand Stewardship Code and publishes an annual Stewardship Code Report.<br><br>25 years of responsible funds management (established 2001), overseeing $1.5 billion in assets under management and administration as at 31 March 2026.<br><br>Stewardship is embedded within our manager-of-managers investment model as a core mechanism for overseeing environmental, social and governance (ESG) outcomes.<br><br>Our investment philosophy rests on three pillars - Performance First, Values-Aligned Exclusions and Purposeful Stewardship - grounded in the Māori values Kaitiakitanga, Manaakitanga and Kotahitanga.<br><br>Our Board and senior leadership provide oversight of stewardship and ethical investment. |
| **Establish and maintain policies** | Signatories will implement measurable and effective stewardship policies. | Our Ethical Investment Policy and Statement of Investment Policy and Objectives (SIPO) set the ESG criteria and exclusions applied to each fund.<br><br>Our Manager Monitoring Framework (published on our website) sets stewardship expectations for appointed managers, who are expected to maintain robust proxy voting frameworks and active engagement programmes.<br><br>Stewardship policies and practices are assessed as part of our manager selection process.<br><br>A key enhancement this year was the transition of the ESG International Bond Fund to an actively managed strategy via the Nuveen Global Sustainable Bond Fund (July 2025). |

| Principle | Description | How Trust Investments Upholds Principle |
|---|---|---|
| **Incorporate material ESG matters.** | Signatories will integrate material ESG matters into investment and stewardship practices. | Each fund applies ESG-related objectives - exclusions, lower carbon intensity relative to benchmark, impact-focused bonds, and a preference for issuers and companies assessed as ESG leaders.<br><br>Our material focus areas include climate risk, modern slavery and human rights, data privacy and security, and governance. Our annual Ethical Investment Client Survey (38 responses in 2026) confirms the issues that matter most to clients, with strong support for good governance.<br><br>Recent examples include additional due diligence on data privacy (Life360) and assessment of climate and physical risk (Scales Corporation). |
| **Be Engaged** | Signatories will engage regularly and effectively with issuers, fund managers, and stakeholders | Structured manager monitoring is undertaken quarterly (NZ Bonds, Australasian Shares and Property) and semi-annually (global equities and bonds).<br><br>Engagement with appointed managers focuses on strengthening transparency, improving ESG reporting quality, and ensuring material risks are actively monitored and addressed.<br><br>Engagement case studies this year include Amova (cultural capability and Te Ao Māori), Nuveen (fixed-income stewardship), State Street (its new Sustainability Stewardship Service) and Harbour (Life360 data privacy).<br><br>For internally managed property assets, we engage directly with tenants and service providers on governance, environmental management and long-term asset performance. |
| **Vote Responsibly** | Signatories will exercise voting rights in line with their mandate and disclose actions and outcomes | Proxy voting for listed equities is undertaken by appointed managers in accordance with their published voting policies, placing investors' best interests paramount.<br><br>More than 7,400 proxy votes were cast across our listed equity funds in the year to December 2025.<br><br>Harbour Asset Management: 328 resolutions voted, 88% with management.<br><br>State Street Investment Management: 7,094 resolutions voted, 95% with management.<br><br>We review voting records and stewardship activity to assess and monitor voting behaviour, engagement priorities and ESG outcomes. |

| Principle | Description | How Trust Investments Upholds Principle |
| --- | --- | --- |
| **Manage Conflicts of Interest** | Signatories will avoid and explain conflicts of interest and prioritise client interests. | We are committed to managing actual, potential or perceived conflicts of interest fairly, acting in accordance with the Trust Management conflicts of interest policy and prioritising client interests.<br><br>Each year, staff must declare any personal conflicts that could affect their work; these are reviewed by compliance and senior leadership.<br><br>Our underlying investment managers maintain their own conflicts-management policies, and we communicate our conflicts-management expectations during manager selection and ongoing monitoring.<br><br>No new conflicts of interest were raised in the 2025/2026 period. As of this year we continue to actively consider the strengthening of our COI policy and process. |
| **Collaborate and advocate for change** | Signatories will work with others to amplify ESG influence. | We hold a leadership role within the RIAA Aotearoa Collaborative Working Group and participate in Aotearoa New Zealand Stewardship Code working group.<br><br>During the year we contributed to Financial Markets Authority (FMA) consultations on sustainability and climate-related reporting frameworks.<br><br>We participate in collaborative investor initiatives including Investors Against Slavery and Trafficking APAC and the Responsible Investment Association Australasia (RIAA), and have co-signed the Investor Statement on Modern Slavery.<br><br>We partnered with Foundation North and Maurea Consulting to deliver Te Tiriti o Waitangi and tikanga Māori workshops for investment professionals. |
| **Measure and Report** | Signatories will report on stewardship actions and outcomes. | We publish this annual Ethical Investment Update and Stewardship Code Report, reporting against all nine principles of the Code.<br><br>We voluntarily completed Principles for Responsible Investment (PRI) reporting for 2025; our scores sit above the global median across all modules, with Listed Equity Active at 95%.<br><br>We disclose engagement outcomes from underlying managers - for example, Nuveen reported 96 transparency, 140 accountability and 87 impact outcomes for the 2024 calendar year.<br><br>We disclose proxy voting metrics and engagement case studies to give clients a clear view of stewardship activity and outcomes |

| Principle | Description | How Trust Investments Upholds Principle |
|---|---|---|
| **Educate and improve** | Signatories will improve internal capabilities and client awareness of stewardship. | We are building Te Ao Māori capability through Te Tiriti and tikanga Māori workshops delivered with Foundation North and Maurea Consulting.<br><br>We are active in RIAA and the Aotearoa New Zealand Stewardship Code working group, deepening our understanding of stewardship issues and improving our monitoring of underlying managers.<br><br>Our annual client survey and standing invitation for hui and kōrero keep clients informed and involved in our approach.<br><br>Our 'Looking Ahead to 2026-2027' commitments set out continued development of internal capability and deeper oversight of underlying managers. |

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For Good Investment

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