

ESG Engagement - Annual Disclosure

Bell Asset Management Ltd (BAM) is a signatory to the United Nations Principles for Responsible Investment (UNPRI).

This disclosure covers the period to 31 December 2017 and will be updated annually.

We have a policy relating to UNPRI compliance and the integration of Environmental, Social and Governance matters into our investment management processes. Over the course of the year ESG consideration was applied to 100% of stock decisions. One of the characteristics of that ESG policy and our UNPRI status is engagement with the companies in whom we invest or are considering for investment.

This statement describes to clients, beneficiaries and the public our approach to engagement, which in this context relates to direct contact with investee and prospective investee companies in order to influence changes in their ESG behaviour or to improve their disclosure practices in the area of ESG matters.

It is our approach to, at all time, be a member of at least one UNPRI Sponsored Collaborative Engagement Group, operating under terms of reference overseen by the UNPRI Board.

During the period covered by this report we participated and continue to participate in the UNPRI coordinated engagement on cybersecurity.

In addition to this form of engagement, we meet directly with companies as part of our regular research activities. This is a combination of face to face meetings, site visits, conference meetings, telephone and email contact in order to establish the information necessary to make our investment decisions. It is our consistent practice to engage directly with investee companies to obtain, clarify or verify ESG information where the information supplied does not meet our requirements or is insufficient or unclear. For the year ended 31 December 2017 we conducted in excess of 480 such direct information engagements (noting that not all such engagements were specific to ESG matters).

It is also our practice to engage directly with ratings, research of other agencies where we believe their ESG classification or description of a company is factually incorrect. Over the 12 months to 31 December 2017 there were two such engagements.

Nick Fels
Managing Director
ESG Investment Officer
3 March 2018

