



Brickwood
— ASSET MANAGEMENT —

Stewardship
Report 2025

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Introduction from our CEO

Welcome to Brickwood's first annual stewardship report

I am delighted to introduce Brickwood's first annual stewardship report, reflecting our stewardship policies, activities and outcomes during 2025.

Brickwood Asset Management is an independent, dedicated value equities investment boutique, founded in January 2024. Our mission is to deliver superior investment performance for clients through a well-established, transparent and repeatable investment approach. We believe that a robust approach to stewardship helps us to achieve this purpose.

2025 was our first full year of managing client assets. It is a great source of pride to us to report on our stewardship activities for the first time.

It has been an immensely busy year across all aspects of our business, and we are proud of the progress we have made. During the year, we established our ESG Integration and Stewardship Policy and assigned responsibility for stewardship within our governance structure. We also established our ESG integration approach within the investment process. With no legacy technology platforms, we have selected the best available tools to enhance our data collection and learning environment, which should ultimately lead to better outcomes for clients.

As you will read, in 2025 we began engaging with portfolio companies, onboarded our proxy research provider and began voting at shareholder meetings. As value investors, we firmly believe that stewardship is the primary tool at our disposal in situations where we believe a change in company strategy is needed.

We also believe in the importance of industry collaboration. Brickwood became a UN PRI signatory during the reporting year, a move which signals our commitment to ESG integration and stewardship on behalf of clients. We plan to report under the PRI's assessment framework for the first time in 2026.

We also became members of the Investor Forum. The Forum plays an important role in facilitating collective engagement with UK listed companies. We believe that over time our membership will help us uphold the interests of our clients.

As well as highlighting stewardship activity during 2025, this report also provides an overview of our organisation and internal governance. Brickwood has established a corporate governance structure designed to promote oversight, collaboration and accountability. In 2025, we were delighted to welcome Ken Lambden to the board as our independent non-executive Chairman and Gail Le Coz as an independent non-executive director. Ken and Gail bring deep and complementary expertise, and both have already made a significant impact.

This report represents Brickwood's application to become signatories to the 2026 UK Stewardship Code ('the Code'). The Code has been central to the development of the stewardship landscape, both in the UK and globally. As stewardship is an integral part of our duties on behalf of clients, we believe that this is an appropriate step for our firm. We were also pleased to participate in the Financial Reporting Council's consultation on the updated Code which took place during the reporting year.

Brickwood is committed to being recognised for best-in-class transparency, communication and client service. We hope you will find this report informative.



Claudia Ripley
Chief Executive
Officer & Partner

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Key developments in 2025

Our first full year of operations contained several important stewardship milestones:

Assigned formal responsibility for Stewardship within our governance structure.

Participated in the consultation on the 2026 UK Stewardship Code.

Wrote to 12 boards outlining our expectations for effective governance and long-term value creation.

Established our ESG integration approach, embedding analysis of material factors in our investment process.

Became signatories to the UN PRI, reinforcing our commitment to global stewardship standards.

Voted at 73 shareholder meetings across our portfolios.

Began engaging directly with portfolio companies to understand and influence key strategic issues.

Joined the Investor Forum, strengthening collaborative engagement capabilities.

Voted against at least one management recommendation at 37% of all meetings.

Initiated voting at shareholder meetings, exercising our rights as active owners.

Publicly disclosed our voting record to enhance transparency.

Engaged with companies representing 42% of the AUM of the TM Brickwood UK Value Fund.*

Held engagements with the Chairs of 11 portfolio companies.

Engaged with companies representing 44% of the AUM of the TM Brickwood Global Value Fund.*

*As at year end 2025.

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About Brickwood

Who we are

Brickwood Asset Management is an independent, dedicated value equities investment boutique, which was founded in January 2024.

As an independent boutique, wholly owned by our partners, we can put clients at the heart of all our decisions.

Our clients include investors in our open-ended investment company ('OEIC') range and institutional clients invested via segregated accounts.

The TM Brickwood UK Value Fund was launched in February 2025, and the TM Brickwood Global Value Fund was launched the following month.

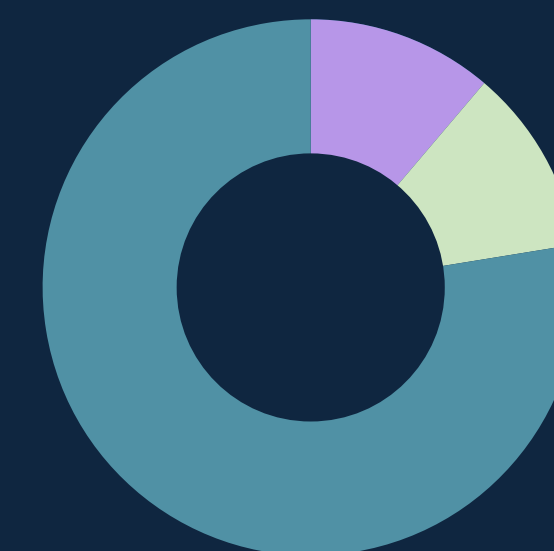
Our assets under management are split between UK, global and international equity mandates. Our AUM is managed internally, and we do not make use of investment consultants or external engagement services providers.

Brickwood's mission is to deliver superior investment performance for clients through a well-established, transparent and repeatable investment approach. We believe that integrating analysis of ESG factors alongside a robust approach to stewardship helps us to achieve this purpose.

As active fund managers, we believe our fund manager-led, materiality-based approach to stewardship is appropriate for an organisation of our size and in keeping with our responsibilities to clients.

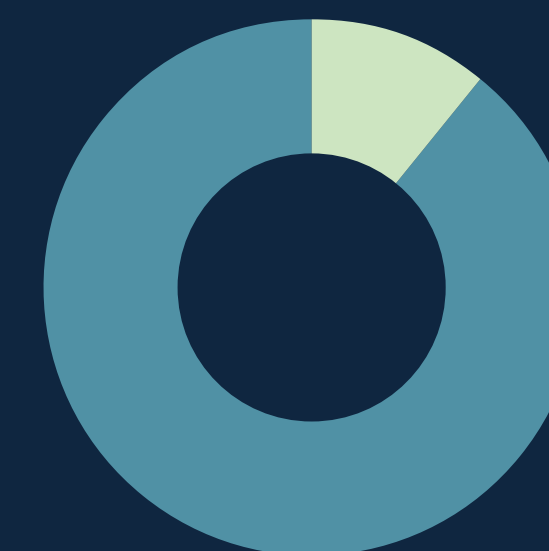
£1.6 billion assets under management (AUM) as at 31st December 2025

Client base by region



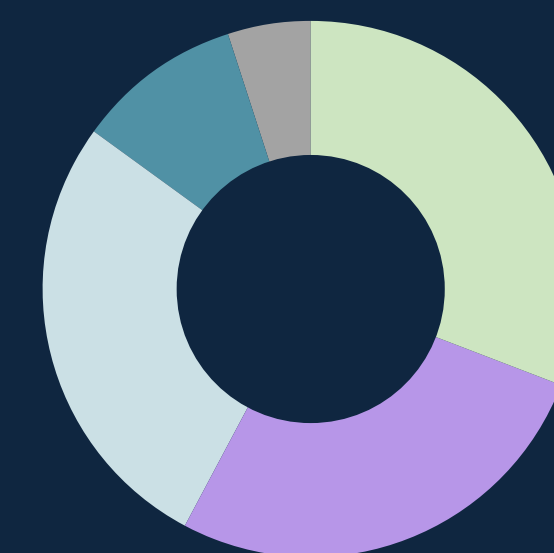
- UK **11%**
- Europe **11%**
- North America **78%**

Client base by segment



- Retail **11%**
- Institutional **89%**

Investments by region*



- Europe **31%**
- UK **27%**
- Asia Pacific **27%**
- North America **10%**
- Latin America **5%**

*Based on the domicile of our listed equity investments across all funds and mandates as at the reporting date.

Our purpose and values

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Independent

Brickwood’s mission is to deliver superior investment performance through a well-established, transparent and repeatable investment approach. We believe in providing exceptional client experience through fostering long-term client relationships. The entire firm is dedicated to achieving excellence in both performance and client service. Our success is directly tied to our investment results, ensuring complete alignment with our clients’ goals.

Ambitious

We have a constant drive to learn and develop. We believe this mindset is important to ensure that we are able to continuously improve client outcomes.



Respected

We believe in having an open and honest dialogue with our clients. The patience and trust that our clients have in us, is the foundation of our success as a firm. We have forged strong relationships over many years through informing clients of our successes, but also of our failures. This openness enhances client understanding and mutual respect, leading to better client outcomes. Brickwood is committed to being recognised for its best-in-class transparency, communication and client service.

Our history

Brickwood was created in 2024, but our history goes back more than 25 years.

Ben Whitmore started his career at Schroder Investment management in 1994, where he managed the Schroder Recovery Fund. In 2000, Kevin Murphy joined the same investment team, where he and Ben worked until Ben left the firm in 2006 to join Jupiter Asset Management. Upon leaving Schroders, Ben was reassured to hand the fund over to Kevin, who had come to share the same value investing philosophy.

Kevin spent the next two decades building his track record, co-managing the fund and becoming co-head of the value equities team. Ben, meanwhile, was building out the value investment proposition at Jupiter. His first hire was Dermot Murphy, Kevin’s younger brother. Dermot, unsurprisingly, was also a believer in value investing. Claudia Ripley was recruited from BlackRock to develop the business strategy and client offering.

Together, they built the franchise, launching a global strategy alongside the UK proposition and growing the combined business to over £10 billion of client assets.

Ben, Dermot and Claudia worked together for almost a decade when they decided to embark on a new challenge: creating an investment boutique with a sole focus on value investing. Their shared history came full circle when Kevin joined them as a partner at Brickwood Asset Management.

Spotlight Charity Day

In December 2025, the Brickwood Team left the office and spent a morning at Idia’s Community Kitchen in East London, supporting Aina and her fantastic team of volunteers.

Idia’s Community Kitchen is on the frontline every day, fighting poverty, isolation, and food waste in Hackney and the surrounding area. They perform essential work, redistributing surplus food, preparing delicious hot meals and providing emergency support to individuals and families facing financial hardship.

We had a great time sorting donations, distributing food and cooking a hot meal for the evening shift. We left inspired by the commitment of the volunteers and the support they provide to the community. It was an honour to spend a morning alongside Aina and the team.



Our governance

As an independent, dedicated, value equities boutique, Brickwood is founded on a commitment to operate with integrity and to put clients first. To support this, Brickwood has established a corporate governance structure designed to promote oversight, collaboration and accountability.

Brickwood is led by a board consisting of our independent Chair, non-executive director and our four founders. Within our governance structure, oversight responsibility for the implementation of our ESG and Stewardship policy resides with the Investment Risk Committee. The members of this Committee are the Board Chair (Committee Chair), the CEO and the Chief Compliance Officer. The Head of Stewardship and fund managers attend meetings of the Committee as invited. The ESG and Stewardship policy is reviewed internally, at least annually, and any material changes to the policy require approval by the Committee. We established our ESG Integration and Stewardship Policy once we began managing client assets. The policy sets our responsibility to integrate material ESG factors in our investment process, and to use stewardship to help meet our investment objectives on behalf of clients. The policy describes the scope of the factors included in our analysis, which include climate-related risks and opportunities and human capital management, among other areas, and sets out our general approach to voting decisions and ESG training.

We do not typically exclude companies or sectors from our investable universe on the basis of their ESG profile, but consider these factors as inputs to our view

on a company's fair value. However, we support the international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. Accordingly, our policy is to exclude companies involved in these weapons from the funds and mandates we manage.

We believe that to be effective, stewardship must be fully integrated into the investment process. Our fund managers retain responsibility for stewardship decisions. They are provided with relevant resource to enable them to discharge this responsibility, including third-party data, technology platforms and training.

Brickwood's Head of Stewardship designed our ESG integration process and is available to provide research on specialist topics. These topics include the identification of systemic and market-wide risks related to our investments and our contributions to market-wide policy or standard setting initiatives. The Head of Stewardship also oversees the voting process and our engagement programme with investee companies. All engagement activity and voting decisions are Brickwood's responsibility and are not outsourced.

The role of independent, non-executive directors in our governance structure, internal training (described on page 8) as well as our participation in industry collaborations (described on page 13) helps us to ensure that we have appropriate skills, diversity and experience within the team, and stay up to date with developments in stewardship best practice.

The Brickwood Team



Ken Lambden
Chairman



Gail Le Coz
Non-Executive Director

Non-execs



Claudia Ripley
Chief Executive Officer

Business

Investment



Alethea Nugent
Chief Compliance Officer



Lucy Wright
Head of Operations



Andrew Mortimer
Head of Stewardship



Ben Whitmore
Fund Manager



Dermot Murphy
Fund Manager



Kevin Murphy
Fund Manager



Diveeshan Roobathas
Operations Analyst

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How we integrate stewardship and investment

At Brickwood, stewardship is integrated systematically within our investment process. We believe this gives us the best chance of achieving our investment objective on behalf of clients.

Stewardship and investment are integrated in five ways:

1 Process	By integrating analysis of ESG factors from the start of our investment process, we increase our chances of identifying potential stewardship opportunities before we invest.
2 Accountability	We assign responsibility for stewardship to our fund managers, ensuring that there is no separation of investment and stewardship accountability. The fund managers work closely with the Head of Stewardship, who provides input on specialist topics where these are identified as potentially material.
3 Structure	Our structure as a single strategy boutique means that the fund managers and the Head of Stewardship operate as a single team, creating a unity of purpose, increasing collaboration and information sharing from the beginning of the investment process. Applying the same disciplined research process whether investing in the UK or globally ensures that stewardship priorities are identified consistently.
4 Systems	All the data from our company analysis, portfolio management and engagement is integrated into our portfolio dashboard provided by our third-party data science platform. This allows us to store, track and view all the data we collect in one place. Over time, we believe this will greatly enhance the investment process.
5 Training	The training programme helps us keep abreast of the latest stewardship-related developments and covers a selection of material ESG factors which are deemed relevant to the investment process.

Spotlight

Managing potential conflicts

Brickwood is an independent, single strategy, boutique asset manager. We believe that our ownership structure creates an alignment of interests between the firm and our clients, reducing the scope for potential conflicts.

Our Conflicts of Interest Policy requires Brickwood's partners, associates and employees to report potential conflicts of interest to the Chief Compliance Officer. The Policy identifies possible situations where conflicts related to stewardship could arise. These include:

- Where we may wish to take voting action or influence a company which is a client or is affiliated with a client (such as a corporate pension scheme).
- Where a Brickwood partner, employee or a connected person is simultaneously a director of an investee company where we may wish to take voting action.
- Where the interests of one Brickwood fund are not aligned with those of another Brickwood fund or client.

The policy sets out our approach if one of these hypothetical situations were to occur. For example, if a genuine conflict of interest were identified in a voting situation, we would typically apply the default recommendation of our proxy research provider when voting. The Investment Risk Committee provides an oversight role in monitoring how such situations are dealt with.

Spotlight

Dialogue with clients and beneficiaries

We believe in having an open and honest dialogue with our clients. This transparency enhances client understanding and mutual respect, leading to better client outcomes. Brickwood is committed to being recognised for its best-in-class communication and client service.

The methods via which we share information about our stewardship activities and gather feedback from clients include:

Public reporting: Our annual Activities and Outcomes Report provides public disclosures about our stewardship activity during the year. Our voting record is publicly available providing a complete voting history in an interactive database.

Client-specific reporting: Many clients request specific reporting on our stewardship policies, processes and activities, either as part of their due diligence process or as ongoing reporting. We are open to discussions with clients about their reporting needs.

Individual meetings: We are open to dialogue with existing and prospective clients about our stewardship activities. Where clients invest with us via segregated accounts and do not delegate voting rights to us, we may communicate our views on voting-related matters to them to assist their own decision making.

In our regular interactions with clients during our first full year of operations, we did not receive any feedback which led us to consider changing our stewardship approach.

Our investment process

We believe that by investing in a portfolio of lowly valued securities over time, our clients should receive above-average returns. This approach may not work every year, but by sticking to an evidence-based philosophy and repeating the process, it has historically been shown to deliver attractive returns over the medium term (five years).

Drawing on the principles first established by Ben Graham and David Dodd nearly a century ago, we implement a style of value investing that emphasises intrinsic value and the margin of safety. This philosophical foundation is augmented with modern fundamental, quantitative and data driven insights. Over nearly three decades, this blend of traditional and contemporary methods has added significant value to our clients' returns.

Step 1 The screening process

Our investment process begins by using screens to narrow the universe of investable companies down to a subset to which the stock market has assigned a low valuation. The screens highlight the most attractive potential investment opportunities while mitigating emotional bias.

ESG aspects: ESG metrics do not influence whether companies pass our valuation screens. However, ESG metrics are included to help the analyst select companies which merit further research.

Step 2 Introduction sheet

Once companies have been identified as potential investments via valuation screens, we begin by looking at each company using the intro sheet in our company model. This allows us to instantly view the key financial, valuation and ESG metrics, enabling us to decide whether it is worthy of further research or not.

ESG aspects: A proprietary selection of ESG indicators sourced from third-party data, covering a broad range of ESG factors, is included in the Introduction Sheet.

Step 3 Proprietary company analysis

Next, we create detailed historical financial models for each company. Here we investigate capital allocation, conversion of profits to cash, balance sheet strength and franchise quality amongst other factors.

ESG aspects: The analysis includes a deeper review of ESG factors identified by the intro sheet, where these are identified as material to the investment case. We score each company on a range of factors, including Environmental Social and Governance factors, allowing us to track each of these factors and provide insights for portfolio construction over time.

Step 4 Portfolio construction

Finally comes the portfolio construction stage where we combine our best ideas whilst assessing portfolio guidelines, such as number of holdings, sizing and geographical allocation, and risk considerations.

Spotlight The checklist

Following the company research and analysis, we write a checklist answering eleven key questions or prompts from our investment process. The checklist is circulated and considered by the team. Within the checklist, analysts must document whether any non-financial risks, including material ESG risks, have been identified. They must also state whether any engagement objectives have been identified if we decide to invest.

Monitoring

We operate quarterly portfolio construction meetings to monitor the performance and positioning of portfolios. ESG data forms part of the review process, and the Head of Stewardship attends the meetings with the goal of identifying events and trends which may be relevant to investment decisions. This process also helps us to prioritise engagement with any portfolio companies we identify as being exposed to ESG risks or opportunities. We may also identify such trends when the portfolio managers update their financial models.

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Pre-investment examples

Stewardship integration

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UK housebuilders

The team conducted an investment review of the listed UK housebuilders. As preparation, the Head of Stewardship prepared a briefing on the regulatory and policy landscape within the sector. This briefing focused on sustainability-related regulatory frameworks such as Nutrient Neutrality and Biodiversity Net Gain, the Cladding Remediation Acceleration Plan and the Future Homes Standard. Informed by this analysis, the fund managers subsequently completed their stock selection within the sector, building a financial history and considering the franchise quality of several companies. One company was discounted as an investment idea due to a combination of balance sheet weakness and a history of corporate governance issues. We ultimately selected Bellway as our preferred holding in the sector, having reviewed its governance arrangements and noted its history of prudent capital allocation and balance sheet management. These characteristics are likely to be important in an environment of increased regulatory complexity and government ambitions to increase the delivery of housing, in our view.

Water industry

Another example of how we integrate climate risks relates to Pennon, a listed UK water company. We considered the company as a potential investment earlier this year as it prepared to increase capital expenditures over the latest five-year investment plan, which was agreed with the regulator. Its shares looked lowly valued, however the company faces an uncertain outlook due to issues including the changing regulatory environment and the pressure the sector is under to upgrade infrastructure due to the impact of storm discharges on water quality. Climate change is exacerbating these problems due to the impact of changing weather patterns. We also discussed the ongoing regulatory investigations of the sector and recent court rulings which may increase litigation risk. We remained cautious on the investment case given the evolving regulatory and environmental risks. We do not own Pennon in our portfolios, although it is possible we may revisit the investment idea in future depending on our assessment of fair value.

Product safety

One example of how the intro sheet indicators impact our investment process is Polaris, a US manufacturer of off-road vehicles, which we considered as a potential investment in our global portfolios earlier this year. Early in the process, the intro sheet alerted the team to the company's extensive history of product recalls due to safety issues, some of which have resulted in litigation. We investigated these issues and concluded that they suggested that the company had been poorly managed and could incur legal costs greater than were provided for in the accounts. These issues contributed to our decision to pass on the company.

Stewardship activities & outcomes

Introductory statement from our fund managers



Fund Managers
Kevin Murphy
Ben Whitmore
Dermot Murphy

We are proud to report on stewardship activities and outcomes during our first full year of managing client assets.

Although we are a new firm, as a team we have been engaging with portfolio companies for over 25 years. This is one of our core responsibilities on behalf of our clients.

Stewardship is also, in our view, a core aspect of what it means to be a value investor. Ever since 1947, when Ben Graham persuaded Pennsylvania Railroad to liquidate its investments and return excess capital to shareholders, value investors have seen stewardship as the primary tool at our disposal in situations where we believe a change in company strategy is needed. More broadly, we believe that investor stewardship can create benefits for the economy and wider society.

Humility is needed when making this claim. Our reach is finite, and we operate on a playing field whose boundaries are determined by policy makers and regulators. We will never know the companies we own as well as their management and employees. Nor will we, as minority shareholders, always be in a position to influence the boards of large global companies.

Nevertheless, our experience tells us that most companies, not only in the UK but globally, welcome dialogue with their institutional shareholders. They want to know what is top of mind for investors. They also seek independent views on core issues around governance, strategy, risk appetite and capital allocation.

Too often, the fragmented nature of modern capital markets and an unnecessary division of responsibilities between stewardship teams and fund managers makes it harder than it should be for companies to receive a clear message from shareholders.

At Brickwood, we try and address this by ensuring that fund management and stewardship operate as a single team, creating a unity of purpose that starts right at the beginning of the investment process. This means that when we speak to companies, we do so with one voice and complete alignment on our priorities and values. This joint approach also helps ensure that engagement informs our voting decisions.

Stewardship, like investing, requires patience. The outcomes of good stewardship are best measured over years, not quarters. Persistence, as well as diligent research, is needed to try and change company behaviour.

The goal of this report is to provide a fair account of our activities and outcomes achieved during our first year. All these engagements were initiated last year, so we have categorised many of them as 'work in progress'. Nevertheless, we hope that the content helps clients to understand our stewardship activities and priorities.

We look forward to updating you with our progress in next year's report.

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How, why and when we engage

We prioritise engagement based on the size of Brickwood’s ownership stake in a company, the materiality of the issue identified, the likelihood of achieving the desired outcome and any time-sensitive matters (such as an impending voting decision).

UK listed companies are typically highly receptive to dialogue with their shareholders. Globally, the picture is more varied. In our global strategy, we tailor our engagement prioritisation and methods to the prevailing practices in each jurisdiction.

Once invested, we routinely meet with the management teams and non-executive directors of portfolio companies, to enhance our understanding of their business and monitor their performance. Where we believe we can have a positive influence, we use engagement to try and influence companies to change aspects of their strategy, with the goal of enhancing long-term performance.

Brickwood is open to dialogue with other shareholders, to share our views on stewardship matters or to understand the perspective of other investors. We also consider collective engagement opportunities where we believe working with other shareholders would meaningfully amplify our voice and help us achieve our engagement objectives. All such decisions are considered on a case-by-case basis.

Companies which meet our valuation criteria may operate in sectors which are exposed to material ESG risks. Where we identify such risks, we use engagement to monitor how companies mitigate them. Where we identify additional actions which we believe companies could feasibly take to mitigate such risks, we will advocate for these actions with boards. This includes market-wide and systemic risks, such as climate change, which are relevant to supporting a well-functioning financial system. In doing so, we will only advocate for actions which we believe are consistent with our investment objectives on behalf of our clients.

Where concerns persist unaddressed, Brickwood may seek to escalate engagement. Fund managers are responsible for any decision to escalate, prioritised on the same basis as other engagement decisions, and considered in the context of our investment case. Escalation tools at our disposal include collaborative engagement with other shareholders, voting against management resolutions or director elections, or filing shareholder resolutions. As a last resort, we may decide to reduce our position size or exit entirely if we believe doing so would be in our clients’ best interests.



Supporting a well-functioning financial system

We believe in the importance of industry collaboration to well-functioning financial markets. As we grow, so will our voice and our ability to influence. We must use this voice to promote a healthy ecosystem.

We laid the foundations for this approach in 2025, by joining two stewardship bodies, participating in a consultation on the new UK Stewardship Code and sharing our views on the UK Corporate Governance Code with the Financial Reporting Council (FRC) directly.

We remain open to collaboration with other industry initiatives and frameworks as our firm continues to grow.

UK Stewardship Code Consultation

As part of our preparations for our application, in February 2025 we participated in the FRC's Stewardship Code Consultation. We felt it was important to share our views on their proposed revisions to the Code prior to our application. We fed back our view that the proposed changes to the Code, taken together, improve it by accurately reflecting current market practice, streamlining the reporting process and clarifying the responsibilities of different types of signatory organisation.

The UN Principles of Responsible Investment

Brickwood became a UN PRI signatory in February 2025. As a newly established asset manager, becoming a PRI signatory signals our commitment to ESG integration and stewardship on behalf of clients, while offering us opportunities to collaborate with other industry participants and gain insights into best practice. We plan to report under the PRI assessment framework for the first time in 2026.

The Investor Forum

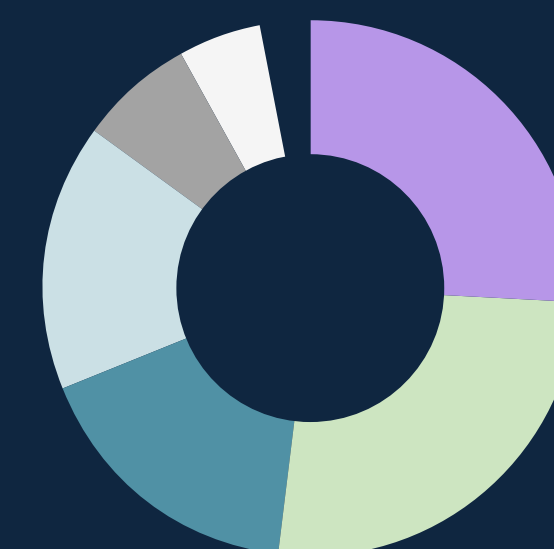
Brickwood became a member of the Investor Forum ('the Forum'), a body which facilitates collective engagement among UK institutional investors, in October 2025. We have had a positive experience engaging with investee companies via the Forum in the past and see strong alignment with Brickwood's approach to stewardship. During the short period of our membership to date, we have already joined group meetings with the board chairs of several portfolio companies. We have also sounded out Forum members' interest in a collective engagement with one portfolio company. We look forward to updating clients on our activity in future reports.

For details of our stance regarding climate-related industry initiatives and regulatory frameworks, please see the section on Climate Risk on page 37 of this document.

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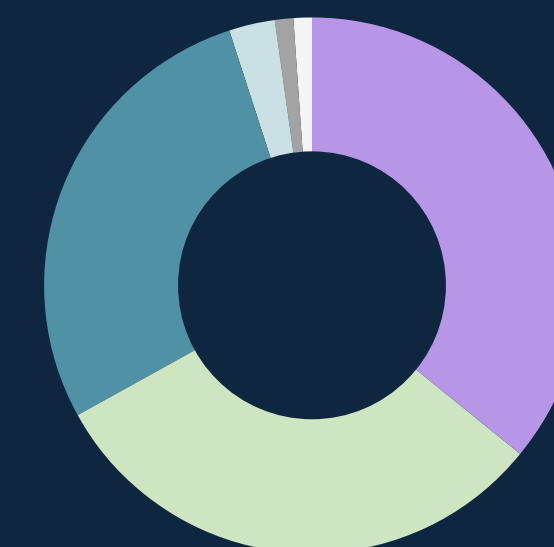
2025 Engagement Overview

Engagement Objective



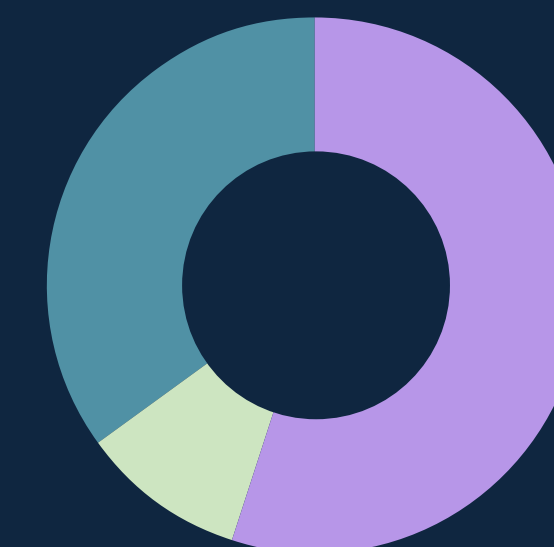
- Advocate for change **26%**
- Inform or communicate voting decision **26%**
- Communicate our expectations **17%**
- Gain investment insights **16%**
- Assess quality of leadership **7%**
- Advocate for disclosure **5%**
- Respond to engagement request **3%**

External Attendee



- IR **36%**
- Chair **31%**
- C-suite **28%**
- Independent Director **3%**
- Engagement group **1%**
- Company Secretary **1%**

Engagement Status



- Completed **55%**
- Escalated **10%**
- In progress **35%**

Engagement priorities

Corporate governance

Governance is a relevant investment consideration for every company we analyse because it shapes how companies are organised, directly influencing long-term value creation. As a result, governance matters are frequent topics when we engage with companies.

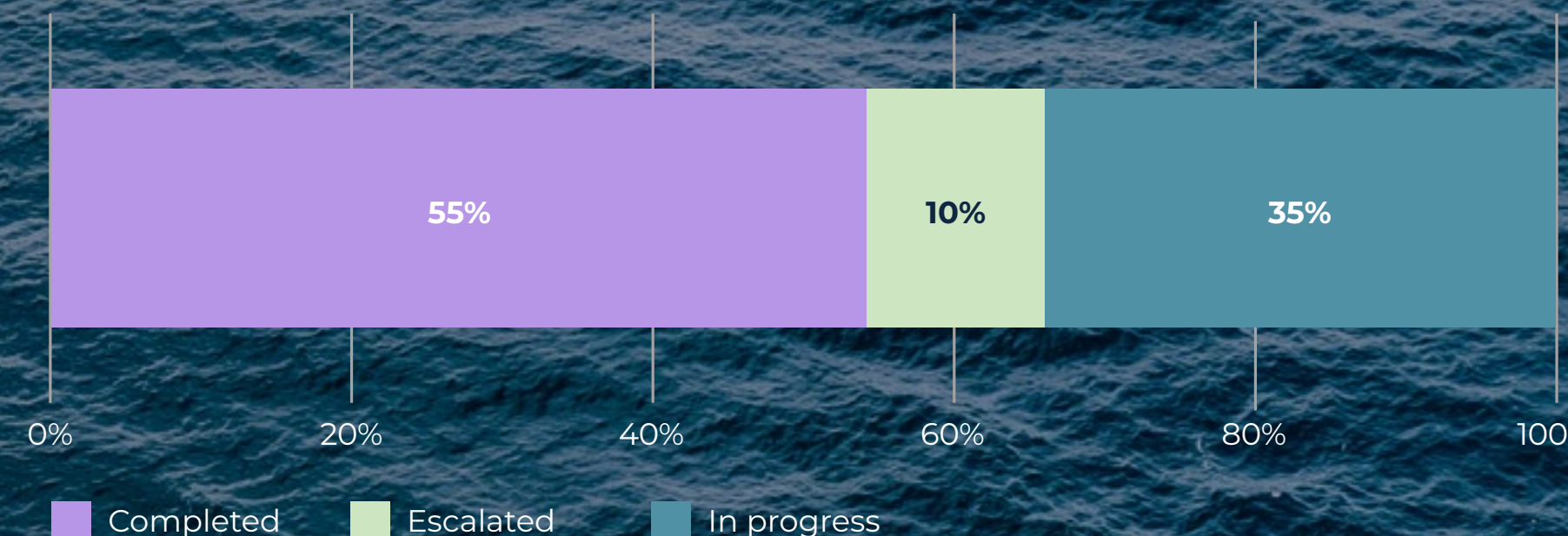
A first important dimension of corporate governance is formal adherence to recognised best practice. This includes matters like board independence, effective committees, transparent reporting and the protection of shareholder rights. Over time, the global spread of governance codes and listing requirements has materially improved standards, particularly benefiting minority shareholders. For us, monitoring adherence to these standards remains an essential baseline for investment stewardship.

A second, and arguably more fundamental, dimension is the quality of leadership exercised by company boards and senior management. Governance is not only about structures and policies, but about how effectively a board allocates capital, sets strategic direction, oversees risk, and holds executives to account. We believe fund managers play a critical role in assessing this stewardship, challenging poor decision-making, and encouraging disciplined capital allocation.

Beyond financial oversight, we also seek to ensure that boards act as responsible stewards of a company's long-term interests by upholding the rights of key stakeholders, including customers and the workforce. Respect for these stakeholders underpins resilience, reputation, and social licence to operate, all of which are integral to enduring value creation.

Finally, we try to build relationships with boards over time. Doing so means being ready to serve as a sounding board when advice is sought, while also exercising our voting rights thoughtfully and independently. The following case studies, and the voting examples included later in this report, are intended to illustrate how we have applied these principles during the year.

Governance: Progress toward our objectives



Engagement Case Study

Japan and South Korea Holdings

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Topics

Capital allocation, board independence, diversity

Activity

We wrote to the Board Chairs of our largest holdings setting out our expectations as shareholders

Outcome

We seek evidence of improved capital allocation and board independence in 2026.

Context

In recent years, few stock markets have offered investors better value than Japan and South Korea. However, one reason why these markets have historically been cheap is the quality of corporate governance and the attitude that some domestic management teams have displayed towards the interests of their minority shareholders.

This is starting to change. Governments in both countries have enacted policies designed to improve the returns of listed companies, and activist investors have begun to shake up boards seen as being reluctant to challenge management. At Brickwood, we believe we have a role to play in encouraging improved corporate governance on behalf of our clients.

Activity

During the year, we wrote to the Board Chairs of our largest holdings in Japan and South Korea introducing Brickwood and setting out our general expectations as shareholders. The letter explained our views on a range of topics and provided guidelines on the type of situation in which we would consider voting against management. For example, we may vote against boards of companies which hoard cash or investments on their balance sheets, or which do not use equity-based pay to create alignment between management and shareholders. We also specified the minimum levels of board independence and gender diversity we consider acceptable and emphasised the importance of general management and international experience among independent directors.

Several companies subsequently offered us meetings, giving us the opportunity to continue the engagement. Our discussions with the management teams of Koito Manufacturing and Yamaha provided an opportunity to reemphasise our views on governance, as well as learning how management view these issues.

Not all the companies we wrote to were as receptive to our engagement. During voting season, we escalated our engagement by voting against directors at several companies, including the Board Presidents of Medipal, TS Tech and Kato Sangyo. In each case, we wrote to the company to explain our decision and encourage the company to improve governance and capital allocation.

Outcome

We await evidence of improved capital allocation and board independence following the end of the reporting year.

We will assess the performance of our portfolio companies against the criteria we communicated to them and take appropriate action in pursuit of our objectives.

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The lost art of capital allocation

Capital allocation decisions are among the most important choices any board must make. Companies that deploy capital into high-return opportunities, focus on their core strengths and maintain prudent balance sheets reinforce their competitive advantage and long-term value. Conversely, excessive leverage, underinvestment or wasting capital on low-return projects can erode competitiveness and ultimately threaten a firm's right to remain public. Everything else a company contributes to society over time - jobs, taxes, innovation, decarbonisation, economic growth - ultimately depends on sound capital allocation.

For value investors, this is especially clear. We regularly analyse companies where something has gone wrong. Often, poor capital allocation has played a role. Promoting better capital allocation is one of our most common objectives when engaging with portfolio companies. This is in keeping with the 2026 UK Stewardship Code, which defines stewardship as 'the responsible allocation... of capital to create long-term sustainable value.'

Yet good capital allocation cannot be mandated; it must be delivered by boards. And UK best practice currently places greater emphasis on this responsibility for investors than directors. The 2024 UK Corporate Governance Code, for example, does not mention capital allocation. Remuneration, by contrast, is mentioned thirty-six times, risk fifteen, succession eight, internal control eight and culture seven.

These are all important responsibilities. But, in our view, capital allocation underpins each of them. Succession planning should focus on identifying leaders with a track record of allocating capital well. Remuneration schemes fail if they incentivise the wrong KPIs. Risk and control

frameworks have limited value at companies destroying capital. And culture rarely survives the restructurings that follow sustained misallocation.

To fulfil this duty, boards need non-executive directors ('NEDs') with genuine capital allocation experience. Too often, UK boards are heavy with NEDs whose backgrounds - whether advisory or in specialist corporate functions - do not equip them for this task. By contrast, the strongest UK boards in our view have many NEDs with general management experience, ideally at high-quality companies with good track records of value creation.

The UK Corporate Governance Code is hugely influential globally, but we believe there are useful lessons to be learned from other countries whose governance codes now encourage a focus on higher returns and effective capital allocation. One option would be adding a principle requiring boards to assess their composition through the lens of capital allocation competence. The Code could go further by asking boards to confirm that all NEDs have the expertise to contribute to capital allocation decisions, not just to their specific domains.

Such reforms, in our view, would be an important step towards safeguarding the competitiveness and long-term vibrancy of the UK's capital markets. We have raised our views directly with the Financial Reporting Council.



Andrew Mortimer
Head of Stewardship

Case Study

Assessing quality of leadership



Company Johnson Matthey

Method Direct

Status Complete

Context

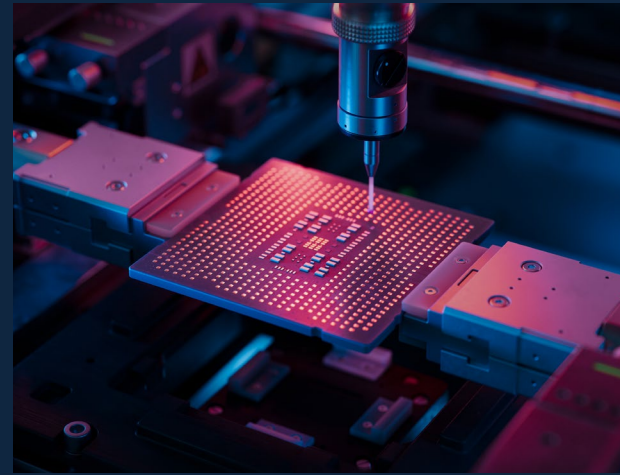
In January 2025, we requested a meeting with Johnson Matthey's Chair after the group's largest shareholder publicly criticised the Board's capital allocation, accused it of failing to take decisive action after a period of underperformance, and threatened to initiate a proxy contest.

Activity

We sought to inform our view on the quality of the Board's leadership ahead of a possible proxy context. We discussed a range of topics including the future of the group's loss-making hydrogen business, the complexities of the balance sheet and the reasons for the high turnover of staff at both management and employee level. We came away somewhat reassured by the Board's focus on improving profitability and operational issues, but emphasised the need for clearer targets for cash generation at the group level.

Outcome

Since then, the Board has shown a willingness to take decisive action, agreeing the sale of its catalyst technology division. The market reacted positively to this transaction, along with revised guidance for the group's clean air business.



Case Study
Turnaround situation

Company Morgan Advanced Materials
Method Direct
Status In progress

Context

We invested in the company at the launch of our UK Fund in February 2025. One reason for its low valuation was the significant investments the business had made in its semiconductor division, which did not deliver the returns expected by the Board. A change of CEO was announced shortly before we invested.

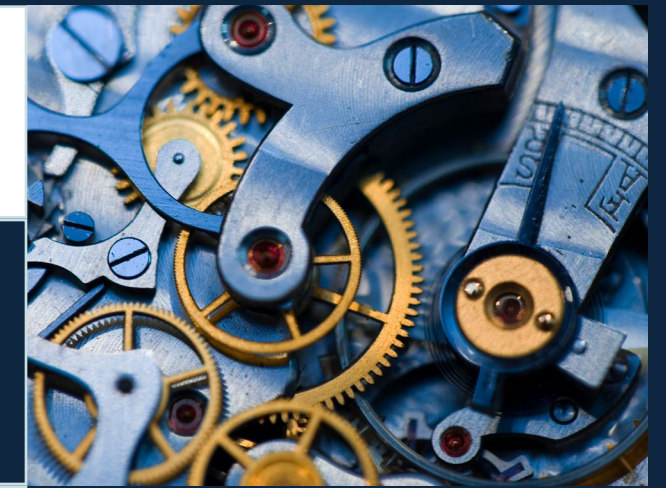
The new CEO, an internal appointment, reiterated the same financial guidance as his predecessor. This guidance was not realistic, in our view, as the company had never consistently achieved the targets in the past. They also excluded exceptional charges, which we consider real costs which should be included.

Activity

Having raised these points with management, we requested a meeting with the Board Chair in October. We emphasised the need for more realistic financial targets. We also discussed the importance of aligning remuneration with “real numbers”, rather than adjusted figures, and the need for the company to communicate a clearer, more credible strategy to the market.

Outcome

In December, the group published a revised set of financial targets, which are less ambitious and, in our view, more realistic. This change represents a positive first step. Now, we await tangible evidence of progress towards these targets and higher accounting standards in the first half 2026 results. Such evidence will help us determine whether the business is positioned for sustainable improvement. Our engagement with the company remains ongoing.



Case Study
Escalation

Company Swatch
Method Direct
Status In progress

Context

The founding family exercise effective control over the business via their shareholding and occupy key board positions. In recent years, the Board has displayed poor judgement with regards to working capital management, in particular unsustainably high levels of inventory, and has failed to heed the concerns of minority shareholders after an extended period of poor financial performance. These factors informed our decision to escalate.

Activity

Following its AGM in May 2025 we wrote to the company explaining why we had voted against several resolutions due to our concerns over corporate governance and strategy. The items we voted against included the re-election of the Board Chair. We also informed the company that we had voted in favour of a shareholder resolution to elect an independent nominee as a representative of minority shareholders, which management opposed.

Outcome

While our stance on these issues was shared by a significant proportion of minority shareholders, they did not achieve a majority due in part to the founding family’s opposition. We nonetheless urged the Board to listen to the views of minority shareholders and to take swift steps to address them. We emphasised that we are open to engagement with the Board on any of these matters and will continue to push for change.

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Thematic priorities

Workforce safety and engagement

Working in the comfort of our London office, it can be easy to take safety in the workplace for granted. But for millions of workers around the world, this right is not guaranteed.

Many companies in sectors once regarded as inherently dangerous, such as the mining sector, have significantly improved their safety track record in recent decades.

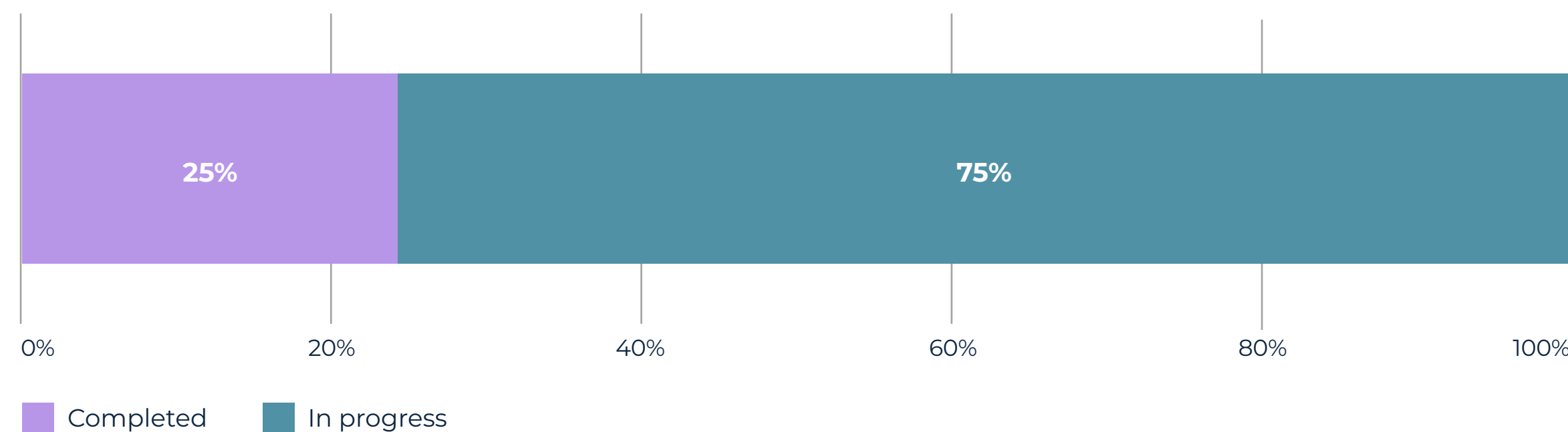
Yet according to the International Labour Organization, there were 330,000 deaths because of workplace accidents in 2019, while nearly 400 million workers worldwide sustained a non-fatal work injury.

These stark figures suggest that workplace injuries, in aggregate, have a bigger economic and social impact than many imagine. In light of this, and based on our monitoring of the safety track records of our portfolio companies, we have identified workplace safety as a market-wide and systemic risk, as well as a material issue for some of our individual investee companies.

We strongly believe that each of the companies in our portfolio should target zero workplace-related fatalities for two reasons. Firstly, we think the companies we invest in have a moral duty to provide a safe working environment for their employees. Secondly, we believe that safety provides an indication of how well a company is run. A poor safety track record is often symptomatic of poor working practices and weak controls. We believe that a focus on improving safety can have a broader positive impact on employee engagement, productivity and ultimately a company's share price.

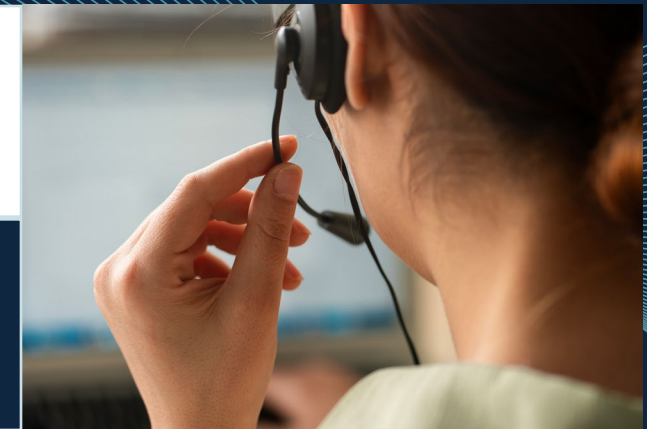
We think safety is extremely important and spend time engaging with the companies in our portfolio on this topic. Our hope is that over time the companies will improve and this process will be positive for both employees and shareholders alike.

Safety: Progress toward our objectives



Case Study Workforce safety

Company Teleperformance
Method Direct



Context

The company reported the highest number of employee deaths (16) of any company in our portfolios last year. This was an unexpected outcome for a global provider of outsourced call centres, an industry not typically associated with hazardous workplaces. No further commentary on the data was provided in the annual report.

Activity

We wrote to the company requesting information about the incidents behind these figures to understand why they were so high. We also raised this question in a meeting with management. The company provided a breakdown of the different incidents. Two deaths were related to workplace accidents in high-risk settings, in a division which has since been sold. The other incidents related to commuting accidents and employee health issues. The company explained that the data reflected the size of its global workforce, with half a million employees, many based in developing countries.

Outcome

We did not consider the company responsible for all commuting or health issues with staff across their global workforce. However, we suggested that the company provide more information if disclosing incidents in future to help readers understand the nature of the incidents and explain any mitigating actions being taken. We will review the company's disclosures in next year's annual report to assess whether progress is evident.

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Case Study
Workforce safety

Company Nokia
Method Direct

Context

The company has reported a number of fatalities in its workforce in recent years. Some of these relate to contractors falling from height while installing and maintaining its equipment. The company has taken steps to address this issue in recent years, including factoring safety as a consideration in executive pay, and broadening its fatality reporting criteria to include third parties impacted by an incident that is deemed within its control. However, the company disclosed a further eight fatalities during 2024, indicating that these changes had yet to have the desired impact.

Activity

We wrote to the company to inform them that we had voted against the Remuneration Report. We expressed our support for the company’s revision of its fatality reporting criteria and, in light of the eight fatalities which occurred during the year, the Remuneration Committee’s decision to exercise downward discretion on the formulaic outcome of the ‘health & safety’ metric within the annual bonus. However, given the number of fatal incidents during the year we felt that the Board could have gone further in reducing the bonus outcome in order to demonstrate a zero tolerance approach to fatalities.

Outcome

While we acknowledged our difference of views on this point regarding outcomes, we reiterated that we welcomed the clear emphasis placed on safety performance by the Board, which we are confident will yield results over time. We will review next year’s annual report to assess progress.

Case Study
Workforce pay and engagement

Company JD Sports
Method Direct

Context

A group of shareholders led by ShareAction, a campaign group, filed a resolution at several UK retailers including JD Sports. The resolution called for the company to disclose how pay rates for UK employees compare to the Living Wage, alongside other workforce metrics. Management advised shareholders to vote against the resolution, arguing that it would impede the firm’s ability to set pay and conditions across the workforce.

Activity

We reviewed the company’s workforce disclosures when considering our voting stance and discussed the resolution in a meeting with the Board Chair. We agreed that JD Sports had a good reputation as an employer and that elements of the resolution were overly prescriptive. However, we also observed that listed UK retailers provide relatively limited workforce disclosures compared with other sectors. Few disclose average employee pay or employee turnover. Given that workforce pay is a material consideration in retail, we think better disclosure would be helpful to us as investors. We therefore decided to support the resolution with the goal of encouraging a debate about workforce disclosures across the sector.

Outcome

The resolution was not supported by the group’s controlling shareholder and did not pass. However, we encouraged the Board to use this opportunity to consider its workforce disclosures given the level of support the resolution attracted among its minority shareholders. We will review the company’s disclosures in next year’s annual report to assess progress.



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Thematic priorities

Climate Risk

Climate change is the most significant systemic risk we have identified for our investments. As climate change is a systemic and multi-faceted risk to the global economy, we believe considering potential climate risks and opportunities to which companies may be exposed contributes to our ability to achieve our investment objective.

We integrate climate-related risks and opportunities in the same way as we integrate other ESG factors into our company research and portfolio monitoring. Our Investment Risk Committee is responsible for overseeing ESG integration within our investment process.

We monitor carbon metrics for our portfolios and use this data to identify which of our companies are heavily carbon intensive, and therefore contributors to systemic risk. Where we hold companies in material climate sectors, we may consider their decarbonisation strategies to inform our view on their ability to mitigate climate risks. Engagement is one way in which we can inform our understanding of the resilience of these businesses under a range of scenarios.

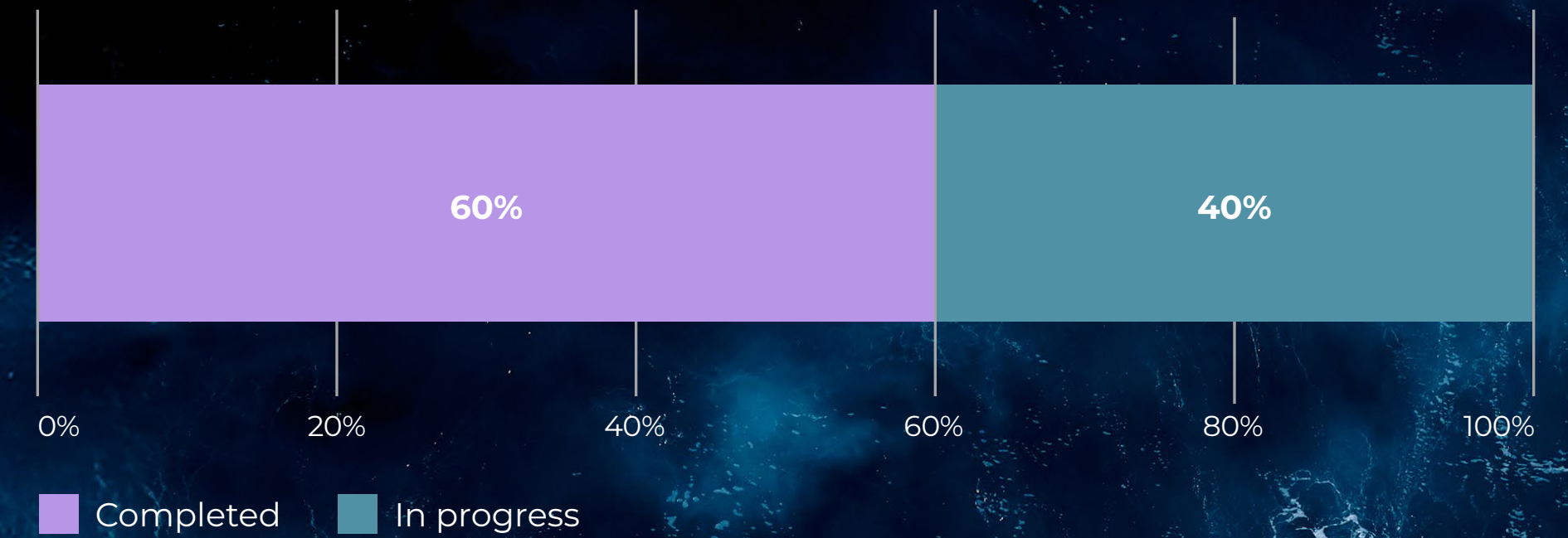
Our climate engagements typically focus on supporting investee companies to address material climate risks and opportunities affecting their business. We provide examples of how we have responded to risks and opportunities in our engagement and voting activity in this report.

Where we identify additional actions which we believe companies could feasibly take to mitigate such risks, we will advocate for these actions with boards. In doing so, we will only advocate for actions which we believe are consistent with our investment objectives on behalf of our clients.

Brickwood is not a member of the Net Zero Asset Managers initiative ('NZAM'). In January 2025, shortly before the launch of our UK and Global funds, NZAM announced that it had launched a review to ensure it remains fit for purpose and had suspended activities to track signatory implementation and reporting. The review was completed in October 2025, and we await the public disclosure of its outcome prior to considering whether NZAM membership would be an appropriate step for Brickwood on behalf of our clients, and how we could best contribute.

The first product-level disclosures in line with the recommendations of the Taskforce for Climate-Related Financial Disclosures ('TCFD') will be made for our OEIC range by the funds' authorised corporate director in 2026. As a boutique, our size means Brickwood is not yet required to make entity-level climate disclosures in line with the TCFD Recommendations. However, we recognise the importance of managing climate risks as well as the requirements of our clients. As such, we have begun to prepare our systems, data and internal governance in readiness to make our entity-level disclosures under TCFD as required.

Climate: Progress toward our objectives



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Case Study
Decarbonisation

Company Forterra
Method Direct
Status In progress

Context

We invested in the company, one of the largest brickmakers in the UK, upon the launch of our UK Value Fund in February 2025. Brick and cement production are heavily carbon intensive activities, and the UK construction industry is under pressure to reduce carbon emissions. As such, we wanted to clarify our understanding of the group’s long-term decarbonisation strategy. We had the opportunity to do so in a meeting with the Chair, who had recently joined the business.

Outcome

In the context of a broader discussion around strategy and governance, we spent some time discussing the future of the brick industry, covering the group’s decarbonisation initiatives as well as the alternative products it is developing to meet demand for lower carbon building materials. In particular, we passed on our view that the Board should be cautious about a reliance on hydrogen as a means to decarbonise the industry. Given the expected costs of producing and distributing hydrogen, in our view it should not be assumed that national infrastructure will be built which will facilitate the use of hydrogen as an alternative fuel to natural gas. Instead, we argued that a broad range of alternative technologies, including electrification, should be considered by the company in its decarbonisation plans.

Action

The Chair acknowledged our point regarding hydrogen. Overall, we felt aligned with his priorities for the first year of his tenure. We will look to assess progress in the group’s decarbonisation plans next year.

Case Study
Operational Emissions

Company BP
Method Direct
Status In progress

Context

Our engagement this year focused on operational emissions. Like other oil majors, BP’s operational emissions are many times the size of the total emissions of many portfolio companies. The routine flaring of gas emitted while drilling for oil is a common source of operational emissions across the industry, as well as a contributor to air pollution. BP has set a target to halve its operational emissions by 2030 (vs a 2019 baseline).

Activity

We voted against BP’s remuneration report because total management pay was too high and because we felt the bonus outcome for operational emissions reductions was too generous relative to actual performance achieved. The relevant section of the bonus score card paid out at close to the maximum level, yet operational emissions increased during the year rather than progressing towards the 2030 target. We communicated this to the company. We also asked the company to disclose how it will mitigate the need for routine flaring at a planned new oil field in Iraq. The flaring track record of the company’s existing field in the country is subject to legal action in the UK.

Outcome

During a subsequent call, the Company Secretary explained that unlike its existing Iraqi field, BP will receive integrated responsibility for both oil and gas production on the planned new field, which should enable them to capture gas which would otherwise need to be flared. We encouraged them to ensure that their future disclosures explain how they will develop flaring mitigation measures at the field over time. We will review next year’s annual report to assess disclosures and progress on operational emissions.



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Engagement at different stages of the investment process

Not all our engagement activity is undertaken to change company behaviour. Speaking directly to companies is also a valuable way to gain investment insights and build our knowledge of a company or the sector in which it operates.

Sometimes we look to speak to companies before we invest, particularly if we have questions about management’s strategy or capital allocation. At other times, our decision to engage may follow a profit warning, a sustained period of underperformance, or a controversy reported in the media.

New information gathered during such engagement informs our investment thesis and contributes to investment decisions. This process is made easier by the fact that fund management and stewardship personnel are typically both present when we engage.

In this section, we provide three examples of engagements which have contributed to our decision to buy, remain invested, and sell securities, respectively. As investors in public markets, we will never have a complete information set about our companies. This means engagement will continue to play an important role in how we gain familiarity with the companies we analyse.

Case Study Gaining investment insights

Company Marks and Spencer / Tate & Lyle
Method Direct



Context

The shares of many packaged food manufacturers performed poorly during the reporting year. Investors are increasingly concerned that a lack of growth reflects changing consumer trends towards healthy eating, a preference for fresh ingredients and a move away from so-called ‘ultra-processed foods’. We wanted to better understand these risks to establish if the low valuations on offer had created investment opportunities.

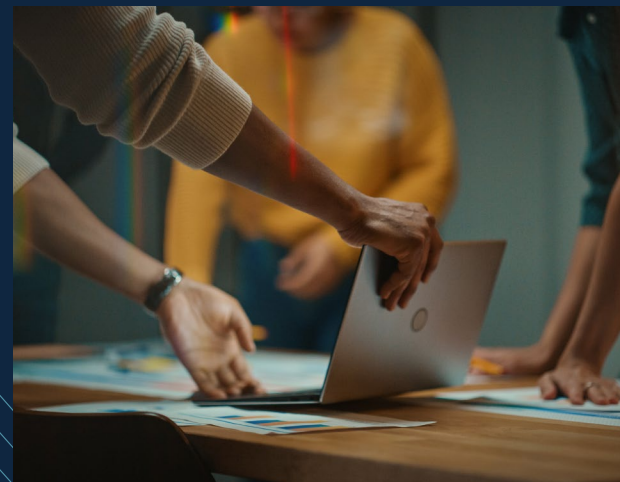
Activity

We spoke with a member of Marks and Spencer’s nutrition team to understand the company’s strategy with regards to the ongoing debate over ‘ultra processed foods’, and how it seeks to monitor and respond to changing consumer preferences on nutrition and healthy eating. Consumer preferences are complex, with some customers showing an increased awareness of non-natural ingredients in staples such as bread, but also willing to overlook these concerns when shopping for treat items or prioritising convenience.

Outcome

Healthy eating is an increasingly material topic for the food sector, but this doesn’t mean the end of packaged food, in our view. After our M&S meeting, we invested in Tate & Lyle, whose portfolio of speciality ingredients is focused on reformulating packaged foods to improve their nutritional value. The company should benefit as packaged food makers look to respond to changing consumer habits by reducing artificial ingredients in their recipes.

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Case Study
Turnaround situation

Company WPP
Method Direct
Status In progress

Context
WPP is a business which has underperformed its peers for an extended period. A meeting with the new Chair was an opportunity for us to ensure that the Board understood that performance needed to improve.

Activity
We were encouraged that, although he had only been on the Board for ten weeks, the Chair was very clear on what problems need fixing even if, understandably, he didn't have all the answers yet on how to fix them. Our discussion touched on a wide range of subjects. Strategically, we focused on the need to reverse the fortunes of the US business, which has lost some high-profile clients in recent months, as well as on AI, which the Chair is convinced will transform the advertising industry in the near term, creating opportunities and disruption.

Outcome
We came away reassured that the Board has made the correct diagnosis. Whether it can find the appropriate cure remains to be seen. Performance has continued to be tough since our meeting. A change of CEO has since indicated that the Board is willing to take decisive action. We remain invested at the time of publication.

Case Study
Exiting our position

Company Robert Walters
Method Direct
Status Complete

Context
The recruitment sector is enduring an unusually protracted downturn in hiring activity. This should create an opportunity for investors patient enough to wait for the cycle to turn. However, companies need robust balance sheets in order to weather the downturn.

Activity
We met the company's Chair to discuss its balance sheet, and specifically to suggest that the company cancel its final dividend in order to preserve capital during the cyclical downturn. Although the Chair was receptive to our views, it was clear that not all shareholders agreed with our perspective. This put the Board in a difficult position, particularly given the uncertainty over the company's cash generation in the current cycle.

Action
After the meeting, we decided to exit our position due to our concerns regarding the company's liquidity situation.



Voting

Brickwood considers voting a core responsibility and a means to achieve our engagement objectives on behalf of clients. Our fund managers are responsible for voting decisions. The process is administered by the Head of Stewardship, who is responsible for reviewing all resolutions and, where necessary, making voting recommendations.

We seek to vote all resolutions for which we have voting rights. Situations which may prevent us from exercising our voting rights in full include share-blocking, which is still practiced in certain jurisdictions. The fund managers are responsible for deciding whether we exercise our full voting entitlement in share-blocking markets. Additionally, some markets require specific Powers of Attorney to be established in order for foreign asset managers to vote their entitlements.

During the reporting year, which was our first full year of managing client assets, meetings at which we did not exercise our voting rights included those in one jurisdiction (Brazil) where the timing of the launch of the TM Brickwood Global Value Fund in March 2025 meant that the legalisation of the necessary powers of attorney was not completed in time to vote at the AGMs of our holdings in April. Brickwood has since established powers of attorney in all relevant overseas jurisdictions where we are invested.

Selected case studies of some of our voting decisions are provided below. Over the period, we worked with our proxy voting provider to create an interactive database where our complete voting history is publicly displayed. A link to the database can be found [here](#).

Voting is covered in our conflicts of interest policy, which is described in more detail on page 14. No conflicts arose during our first year of voting activity.

No. of meetings eligible to vote	77
% of meetings voted	95%
No. proposals eligible to vote	1,406
No. proposals voted	1,304
Proposals voted (%)	93%
Proposals supported (%)	96.5%
Proposals opposed (%)	3.5%
Proposals abstained (%)	0%
Proposals voted against management's recommendation (%)	3.4%
Proposals voted against proxy adviser's recommendation (%)	3.5%
Voted meetings with one or more votes against management (%)	37%

Spotlight

Monitoring our proxy voting service provider

We subscribe to Glass Lewis, a third-party proxy advisor, to help us make informed voting decisions. While their research helps us come to an informed view, voting decisions remain the responsibility of our fund managers and we do not apply proxy adviser recommendations to our voting decisions without conducting our own due diligence. Instead, we review each meeting agenda to ensure that voting decisions are informed by our own investment and stewardship objectives. Doing so helps us consider whether the information provided is accurate and of sufficient quality to inform our approach.

We maintain regular dialogue with our proxy adviser during AGM season. In September 2025, we participated in the Glass Lewis 2025 Policy Survey. The survey informs Glass Lewis' development of its 2026 Benchmark and Thematic Voting Policy Guidelines, ensuring they align with evolving governance practices and market dynamics. We also provided our broader feedback on their service provision - including recommendations on how it could be improved - via the Proxy Season Survey in the same month.

We do not make use of investment consultants or external engagement services providers.



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Voting case study

Babcock

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Topic
Remuneration

Activity
We voted against a new remuneration policy, explaining our rationale for doing before the AGM.

Outcome
The company withdrew the proposed increase to the equity-based pay opportunity.

Context

The Board put forward a new remuneration policy for management at its AGM. Under the new policy, the long-term incentive plan ('LTIP') opportunity for the CEO and CFO would effectively have doubled, producing a maximum LTIP award of £10m for the CEO compared with £5m in the same scenario under the current policy. No clear rationale for the increase was provided in the annual report, beyond a stated desire to ensure that the management team is incentivised to deliver the Board's strategic ambitions.

Activity

Ahead of the AGM, we wrote to the company explaining why we had decided to vote against the new policy. As well as objecting to the absence of a compelling rationale for the increase, we also highlighted the lack of stretch in the financial and ESG targets which would determine the vesting outcome.

Many of the proposed KPIs featured very narrow performance ranges. This created the possibility of very large awards being made in return for marginal performance changes. For example, 30% of the proposed award was based on an average underlying operating margin in which a 1% change was the difference between 0% and 100% vesting. Equally, the proposed ESG metrics operated within what we would have considered to be typical margins of error. For example, a cumulative reduction in carbon emissions of 8.6% over three years would result in zero payout, but a reduction less than 1% higher would lead to this portion of the award vesting in full. We encouraged the Remuneration Committee to rethink the proposals and to change the target ranges for the LTIP to create stronger alignment between pay and performance.

Outcome

The Board withdrew the new LTIP proposals after more than 30% of shareholder votes were cast against the Policy. We approved of this decision and we will review future remuneration proposals to establish their suitability.

Voting case studies

How we voted in 2025

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Company / Issue

Rio Tinto Limited / Climate Strategy

Rio Tinto presented its Climate Action Plan for approval at its 2025 AGM, seeking shareholder endorsement of its decarbonisation strategy. Having reviewed the group’s sustainability disclosures and discussed the strategy with its investor relations team before the AGM, we decided that the strategy deserved support. The company has made progress towards its target of halving operational emissions by 2030 since the plan was last put to a vote. There are significant real-world benefits to the decarbonisation projects in which it has invested, both by catalysing renewable energy capacity additions but also by developing new technologies. Decarbonising the group’s aluminium smelting and iron ore assets will be challenging, but it is difficult to see how these value chains could ever be decarbonised without leading mining companies playing their part.

How we voted

Voted in support of the Climate Strategy.

Status / Next steps

Monitor implementation and continue engagement on climate targets. The climate strategy was supported by shareholders. We will continue to monitor the company’s execution of its Climate Action Plan and engage on any material developments identified.

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Company / Issue

Anglo American / Merger, Remuneration

The board convened a meeting to ratify the proposed merger with Teck Resources, which we supported. However, the board also proposed certain adjustments to in-flight equity awards for management, which would have guaranteed a minimum payout conditional on merger completion. We firmly believe management should be rewarded for realized financial performance, not just for completing transactions.

How we voted

In favour of the merger with Teck Resources.
Against changes to in-flight 2024 and 2025 LTIP awards.

Status / Next steps

Resolution withdrawn

The company subsequently withdrew the proposed changes to the equity awards in the face of shareholder opposition. We expressed our support for this decision. We will continue to monitor the integration and future remuneration proposals.

Company / Issue

Telkom Indonesia / Divestment, Board Elections

We supported the spin-off of a subsidiary but voted against all other items due to insufficient disclosure on the identities of candidates for director elections and several procedural matters.

How we voted

In favour of the spin-off.
Against all other items.

Status / Next steps

Monitor and continue engagement
All resolutions were passed, despite some shareholders voting against the resolutions we opposed. We wrote to investor relations explaining our rationale. We will monitor governance developments at future shareholder meetings.

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Company / Issue

Rio Tinto Limited / Corporate Structure, Unification

A shareholder resolution was tabled at Rio Tinto's 2025 AGM requesting that the company review and consider unifying its dual-listed company (DLC) structure. The proposal sought a report on the potential benefits and drawbacks of moving to a single corporate entity. We engaged with Rio Tinto's investor relations team before the shareholder meeting to inform our voting stance. We concluded that the Board was best placed to determine the optimal corporate structure for the company and had made a convincing case against removing the DLC structure.

How we voted

Against Shareholder Resolution (Review of DLC Structure Unification).

Status / Next steps

Vote did not pass.
We were satisfied with the outcome of the vote and consider the engagement complete.

Company / Issue

Koito Manufacturing Co., Ltd. / Board Independence, Remuneration, Capital Allocation

Koito's 2025 AGM was preceded by engagement with management regarding board independence, capital allocation, and executive pay. The board lacks sufficient independence, with several NEDs deemed affiliated. We encouraged Koito to recruit more experienced, independent NEDs and to adopt a three-committee structure. The AGM included a vote on a restricted stock plan, which, while primarily retention-based, was seen as a step forward. We also pressed for more performance-linked pay and a faster pace of cross-shareholding reduction and capital return.

How we voted

In favour of the Board Chair (to acknowledge engagement).
Against a non-independent Outside Director.
In favour of the restricted stock plan.

Status / Next steps

Monitor and continue engagement.
All resolutions were passed despite director elections receiving significant dissent by minority shareholders. We wrote to investor relations explaining our rationale. We continue to monitor progress on board composition and capital allocation, and may escalate if improvements stall.

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Company / Issue

Shell / Remuneration & workforce safety

Two fatalities occurred at the company’s operations during the year. Although the Remuneration Committee had exercised downward discretion on bonus outcomes for the Executive Directors considering these accidents, the adjustment represented less than 1% of their total compensation during the year. We felt that the Board could have gone further in reducing variable pay outcomes for management to demonstrate a zero-tolerance approach to fatalities.

How we voted

Against the remuneration report.

Status / Next steps

The report was approved by a majority of votes cast, but our rationale was passed on to the Remuneration Committee. We will continue to monitor the company’s safety track record.

Company / Issue

Kato Sangyo / Board Independence, Capital Allocation

We voted against the Executive Chair and a Statutory Auditor due to the company’s extensive strategic shareholdings and insufficient board independence. This voting stance was aligned with the expectations we communicated to the Board earlier in the year.

How we voted

Against Executive Chair.
Against Statutory Auditor.

Status / Next steps

Monitor and continue engagement.
The Executive Chair and Auditor were re-elected despite significant dissent by minority shareholders. We wrote to investor relations explaining our rationale and requested improved capital allocation and governance. We will monitor future progress.

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Brickwood Asset Management
 8-10 Grosvenor Gardens
 London SW1W 0DH
 United Kingdom

enquiries@brickwoodam.com →

brickwoodam.com →

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