Equity Trustees

The AFLPA Player Retirement Account Responsible Investment Approach

AFL PLAYERS

Investing for the Long-Term

The AFLPA Player Retirement Account (PRA) is designed to assist players transition into the next phase of their life. Contributions are invested to increase the value of funds, and therefore, member payments over time.

As investment adviser to the AFLPA PRA, Equity Trustees takes a prudent, disciplined and long-term approach to investing the funds of the AFLPA PRA. Incorporated as part of our fundamental approach and to meet a requirement of the AFLPA PRA, Equity Trustees' focus is on delivering strong financial outcomes, while also considering environmental, social and governance (ESG) factors that can influence both investment performance and the broader world around us.

Equity Trustees Asset Management manages the PRA in line with the responsible investment objectives outlined in its Investment Policy Statement.

Equity Trustees' Responsible Investment Framework

Responsible investing (RI) is a core capability of Equity Trustees. We demonstrate our capability and commitment as a signatory to the United Nations-supported Principles for Responsible Investment (PRI) and through independent certification of our responsible investment offerings by the Responsible Investment Association Australasia (RIAA).

This year, Equity Trustee has been recognised as a Responsible Investment Leader by RIAA, further reinforcing our leadership in responsible investment commitment, ESG integration, stewardship and transparency.

RI principles are integrated into how the AFLPA PRA portfolio is built and managed. Our framework is guided by three principles:

1. Deliver strong long-term outcomes

We aim to grow your savings over time, targeting returns above inflation while managing risk.

2. Invest responsibly

We believe that active incorporation of RI principles enhances both the ability to generate attractive risk-adjusted returns as well as the potential to drive positive social outcomes.

3. Align with member values

Investments are structured to reflect the broad priorities of AFLPA members, limiting investments that cause harm while supporting positive environmental and social outcomes where possible.

These credentials reflect our commitment to incorporating responsible investment principles into investment decision making, stewardship activities and ongoing manager oversight, and the prudent responsible investment framework which we have in place.

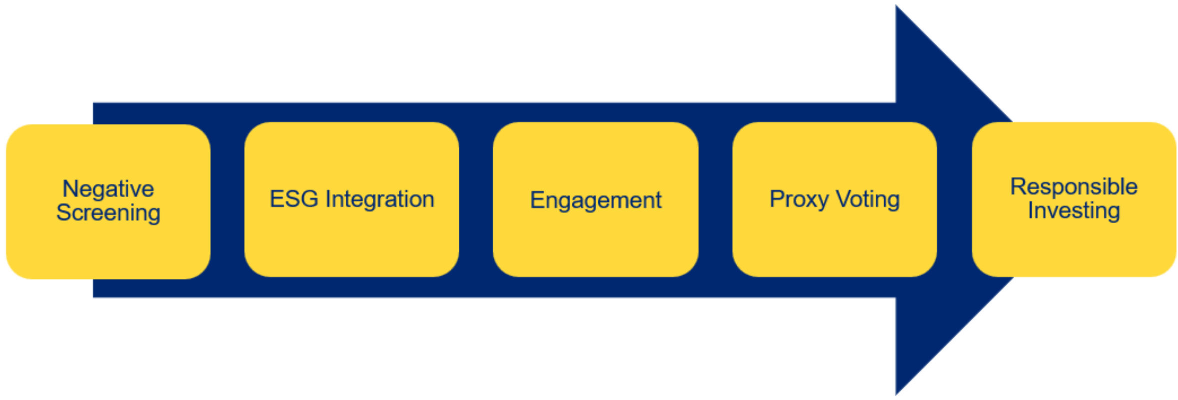
Signatory of:

PRI Principles for Responsible Investment

How Equity Trustees Invest Responsibly

At Equity Trustees, RI is embedded in our investment philosophy. We believe that integrating environmental, social and governance (ESG) factors and RI principles into our research, manager selection and investment decision-making processes enhances risk management and supports long-term value creation.

We apply a range of responsible investment techniques across internally managed Funds, of which the AFLPA PRA has some exposure to:



Our internally managed Funds are managed in line with Equity Trustees' responsible investment approach. Our approach has been developed over time to reflect the objectives of our client base who, like the AFLPA, want their funds to be invested in a way that delivers strong financial outcomes while aligning with their values. We deliver on these objectives through thoughtful and pragmatic screening, ESG integration, and a strong commitment to stewardship.

ESG Integration

ESG factors are built into investment decisions —helping identify risks and opportunities that traditional financial analysis may overlook. Some of the factors assessed through the investment process are:

- Climate risk
- Energy efficiency
- Employee engagement
- Executive remuneration and shareholder alignment.

To inform our views on a company's ESG performance we use external research, attend ESG specific company meetings and site tours which provide the opportunity to speak directly with management on the key ESG issues the company is facing.

Negative Screening

While exclusions form an important part of our responsible investment approach, highly restrictive portfolios can reduce diversification, increase concentration risk, and limit access to investment opportunities that may deliver attractive long-term returns —without necessarily enhancing real-world outcomes.

For this reason, we apply a thoughtful and pragmatic approach to negative screening which seeks to balance member values with the objective of generating strong long-term investment outcomes. We believe engagement with companies and active stewardship can be more effective than blanket exclusions in driving positive change, while preserving investment flexibility.

Our approach to negative screening seeks to avoid exposure to sectors that do not align with our policies (e.g. controversial weapons and tobacco) and employ a range of products that screen out gaming, alcohol, adult entertainment and military armaments exposures above set revenue thresholds.

Engagement & Proxy Voting

This is a key element of our approach. Where we invest directly, we engage with companies and exercise voting rights to encourage better practices and long-term performance.

Case Study: Addressing Environmental Risks through Engagement

Environmental degradation risks, including biodiversity loss, pollution and climate-related impacts, are considered through our ESG integration process and ongoing stewardship activities. Where we identify material environmental risks within our internally managed portfolios, our preferred approach is to actively engage with management to encourage improved practices. We believe this approach can be more effective in driving real-world environmental outcomes than divestment alone.

As an example, we are currently participating in the PRI's collaborative engagement on Nature and Biodiversity, alongside a group of institutional investors from around the world, with South32 (S32) as the focus company. We see value in collaborative engagement as an effective way of communicating ESG concerns, collectively representing a larger portion of a company's shareholder base than would typically be possible through individual engagement.

S32 is a global mining company with operations across Australia, South Africa, North America and South America. While we recognise the progress already made by S32, including expanded nature-related reporting and initiatives to better understand biodiversity impacts across its operations, the engagement seeks to encourage stronger biodiversity management, enhanced environmental disclosure and greater transparency regarding nature-related impacts, with the aim of supporting improved environmental outcomes.

Through collaborative engagements such as this, Equity Trustees seeks to reduce environmental risks within the portfolio by encouraging stronger practices, enhanced disclosure and greater accountability. Engagement is complemented by our ESG integration process, negative screening framework and ongoing manager oversight, which together help limit exposure to environmental degradation risks while supporting long-term investment outcomes.

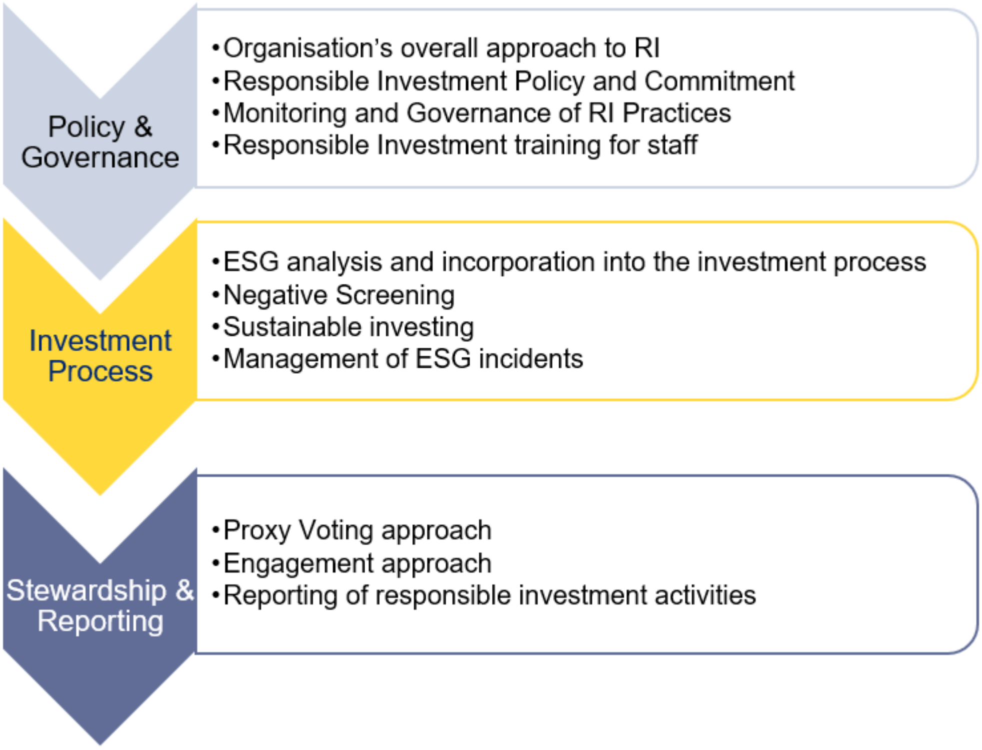
Responsible Investing

We prioritise investments in companies contributing positively to global challenges—such as clean energy, healthcare, and social outcomes—often aligned to the UN Sustainable Development Goals.

How we Assess and Monitor External Investment Managers

A key part of delivering responsible outcomes is selecting and partnering the right investment managers. We systematically assess external managers using a robust due diligence framework designed to evaluate both investment capability and responsible investment practices.

We apply a structured and rigorous process where managers are assessed across the three key areas outlined below:



Ongoing monitoring:

Continuous oversight of the managers appointed is just as important as the initial selection process to ensure they are delivering on the role they have been assigned within the portfolio. Portfolios are reviewed at least semi-annually where we conduct in person meetings with the investment, and responsible investment teams.

To review whether a manager is delivering on their RI objectives, they must provide a transparent look through of their portfolio holdings monthly. We use Morgan Stanley Capital International (MSCI) to review the portfolio through an ESG lens to highlight material ESG risks or controversies within the portfolio. The outcome of the analysis shapes our discussions with portfolio managers around investment decision rationale.

We report to the PRA Committee on the responsible investment performance of managers annually.

Importantly, all managers in the portfolio are assessed against and meet the responsible investment objectives of the AFL Players Association. While each manager applies their own unique approach to RI, consistent across all is they view RI principles as a valuable tool to manage risk and identify quality companies offering attractive returns.

A Strong Outcome for Members

The AFLPA Investment Policy requires the funds of the AFLPA PRA to be managed with a long-term focus, strong governance, and appropriate consideration of responsible investment factors. Equity Trustees' investment approach supports these objectives through ESG integration, active manager oversight, stewardship activities and a disciplined investment process.

Through this approach, AFLPA PRA members benefit from:

A long-term focus

- Your portfolio is designed to grow wealth above inflation while managing risk across different market conditions.

Better risk management

- Considering ESG factors to identify risks early—such as regulatory changes, reputational issues or environmental impacts—that can affect long-term returns.

Alignment with member values

- Investments are structured to reflect the priorities of AFLPA members, avoiding harmful activities and supporting positive outcomes.

Professional oversight and governance

- A robust governance framework—including the AFLPA Board, PRA Committee, and external managers—ensures accountability and ongoing review.

Diversified and resilient portfolio

- Exposure across multiple asset classes and strategies helps reduce volatility and improve consistency of outcomes over time.

The AFLPA Player Retirement Account is designed to support members well beyond their playing careers. By combining a disciplined investment process with responsible investment principles, Equity Trustees seeks to deliver strong long-term returns while carefully managing risk.

Our approach aligns with the AFLPA's Investment Policy and reflects the values and expectations of members, providing confidence that member funds are being invested thoughtfully, responsibly and with a focus on achieving sustainable outcomes over the long term.