



Refer to glossary for definition of the rating

Product Review

About this Product

Investment manager	Orbis Investment Management Limited
Benchmark	MSCI AC World NR Index AUD
Product structure	Managed Fund
Product size	\$5.22b
Inception date	Feb 2021
Asset class	Global Equities
Sector	Global Large Cap
Peer group	Value
Rated peers	26

Product Characteristics

Business Life Cycle	Mature
Product Wind-Up Risk	Low
Key Person Risk	Low
Tenure of Decision Makers	High
Complex (RG240)	No
Strategy Remaining Capacity	Not specified
ESG Approach	Risk or Value
Peer Relative Fees and Costs	Above median

Annual Fees and Costs (% p.a.)

Management fees & costs	1.05
Performance fee costs	0.00
Net Transaction Costs	0.09
Buy/Sell Spread	0.25/0.25
Annual fees and costs	1.14

Source: FE fundinfo, PDS Date: 20/Nov/2024

Strengths

- Collegiate three portfolio manager structure increases scrutiny of individual stock decisions.
- Consistent application of the disciplined Investment process to identify contrarian opportunities.
- Continuity of private ownership supports long term decision making.
- Strong alignment with investors via the refundable performance fee structure.

Weaknesses

- Performance has been challenged relative to the benchmark over the last five years.
- Meaningful junior analyst turnover can be a distraction for the senior investors.
- The firm's significant asset base can hinder efficient implementation of the strategy.

Product Opinion

The Fund's rating has been maintained as **Recommended**. The three portfolio managers responsible for managing the fund are experienced and high-calibre global equities investors. Their contrarian investment approach is well-regarded and emphasises a strong degree of accountability among analysts, focusing on identifying unpopular stocks with significant upside potential. While the fund's performance relative to its benchmark has been lack lustre over recent years, it has shown strong results over longer periods. Notably, the firm's scale can hinder the efficient implementation of the strategy.

Lonsec Rating Model

Rating key: ●●● Above ●●● In-line ●●● Below		
Factor	Peer Rating	YoY Score Change
Business	●●●	—
Team	●●●	↑
Process	●●●	—
ESG	●●●	—
Product	●●●	—
Fees	●●●	—
Performance	●●●	—

Allocation Profile

Core		
Satellite		
	Low Complexity	High Complexity

Return Profile

Income		
Capital		
	Defensive	Growth

### Key Facts

#### Key Objectives

Investment objective	To seek higher returns than the average of the world's equity markets, without greater risk of loss over the long term after applying exclusions.
Internal return objective	Outperform the benchmark (net) over five years or more.
Internal risk objective	Avoid the risk of permanent capital loss over the medium term.
Non-financial objective	Fund will not invest in tobacco companies and companies involved in the production of nuclear weapons, anti-personnel, cluster munitions or depleted uranium weapons.

#### Asset Allocation (%) (as at 30/11/2024)

International Equities	99.00
Cash	1.00
<b>Total</b>	<b>100.00</b>

Source: FE fundinfo

#### Rating History

07-May-2024	Recommended
26-Apr-2023	Recommended
20-May-2022	Recommended

#### Product Distribution Profile

Frequency	Annually
Last Missed Distribution	N/A
Number of Missed Distributions in the last 5 years	0
AMIT Election	Yes
TOFA Election	Yes

#### Top 10 Holdings (as at 31/12/2024)

	Weight (%)
QXO	7.20
CORPAY (WAS FLEETCOR)	6.20
UNITEDHEALTH GROUP INCORPORATED	5.70
INTERACTIVE BROKERS GROUP	5.20
NINTENDO CO., LTD.	4.00
ALPHABET INC	3.50
RXO	3.50
RENAISSANCERE HOLDINGS	3.20
KB FINANCIAL GROUP INC	3.00
GXO LOGISTICS, INC.	3.00

Source: FE fundinfo

#### Target Market Determination

Produced by issuer	Yes
Provided to Lonsec	Yes

#### Performance Analysis - annualised after fees at 31/12/2024

	1 Year	Median	2 Year	Median	3 Year	Median	5 Year	Median
Performance (% p.a)	23.43	18.90	22.51	16.96	11.12	11.21	-	10.54
Standard deviation	13.74	9.93	11.19	8.71	12.92	11.66	-	13.76
Excess return (% p.a)	-6.06	-11.07	-2.89	-9.87	-0.11	-0.86	-	-3.17
Outperformance ratio (% p.a)	25.00	33.33	45.83	45.83	50.00	50.00	-	46.67
Worst drawdown (%)	-3.58	-4.41	-4.63	-4.72	-15.60	-12.13	-	-19.39
Time to recovery (mths)	1	-	2	-	12	-	-	-
Sharpe ratio	1.38	1.09	1.64	1.32	0.61	0.60	-	0.57
Information ratio	-0.65	-1.36	-0.36	-1.41	-0.02	-0.11	-	-0.43
Tracking error (% p.a)	9.27	8.45	7.92	7.08	7.27	8.02	-	8.53

**Lonsec Peer Group:** Global Equities - Global Large Cap - Value

**Product Benchmark:** MSCI AC World NR Index AUD

**Cash Benchmark:** Bloomberg AusBond Bank Bill Index AUD

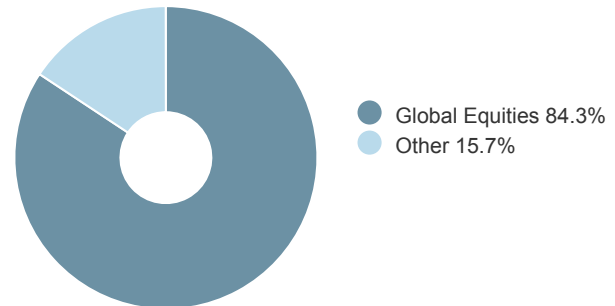
**Time to recovery:** NR - Not recovered, dash - No drawdown during period

### Business ●●●

#### Facts

Investment Manager	Orbis Investment Management Limited
Ultimate Parent Company	Allan & Gill Gray Foundation
Headquarters	Bermuda
Inception Date	Nov 1989
% Staff Ownership	0-10%

#### AUM



#### Governance

% Independent board members	0
% Female board members	29
Independent chair	No
CEO as Chair	No
Separate Audit Committee	No

#### Metrics

Total AUM	\$56.6b
Investment Management Headcount	437
Investment Professionals	63
Sales & Service	14
Distributor	Self

#### Who is the Manager?

Orbis Investment Management Limited (Orbis) forms part of the Orbis Group which was established in 1989 by Dr. Allan Gray. Orbis managed \$56.6b in assets under management, of which the vast majority is invested in the flagship global equities strategy. Orbis is a boutique with a global footprint, having investment offices in London, Hong Kong, San Francisco and Bermuda.

### Lonsec Opinion

#### Profitability

The Manager is well-capitalised and is a profitable stand-alone global asset management business, with a diversified client base and a successful track record of growing funds under management.

#### Business Track record

The firm has a long and successful track record of steady business growth across multiple equities strategies, since the firm's launch in 1989. The Fund is supported by a well resourced internal marketing and distribution team, with intimate product knowledge.

#### Business Ownership

Orbis continues to be 100% privately owned by The Allan and Gill Gray Foundation which has a majority ownership stake. The Foundation was established to promote the commercial success and continuity of the Orbis and Allan Gray groups and for philanthropic causes. A privately owned funds management business is a positive feature of Orbis, as it creates a strong boutique culture that aligns staff well with performance outcomes and enhances team stability.

#### Business Governance

Day-to-day management of the business has been vested in Orbis Allan Gray Limited, a holding company whose board consists of a majority of present executives and includes nonexecutive directors. The governance structure is fit for purpose and is in line with similar boutiques. There have not been any notable governance issues over time and no adverse regulatory findings.

### Team ●●●

#### Key Decision Makers (KDM)

	Primary function	Dedicated to strategy	Appointed to strategy	Industry/Mgr exp. (yrs)	Exp. in PM roles (yrs)
Adam Karr	CIO & strategy lead	No	2008	32/23	17
Benjamin Preston	Portfolio management	No	2008	26/25	17
Graeme Forster	Portfolio management	No	2022	18/18	13
Nicholas Purser	Portfolio management (currency)	No	2008	28/28	28

#### KDM Change\*

No changes.

\* Last 3 years

#### Profile

Size	63
Structure	Decentralised
Turnover	Medium

#### Alignment

KDM equity held in manager	Yes
KDM co-investment in strategy	Yes
Performance-Based bonus	Yes
Long term incentive plan	Yes

#### Resources

	Number	Average Years Experience
Key decision makers	4	25
Portfolio Managers		
Hybrid portfolio manager/ analysts	44	12
Dedicated analysts		
Dedicated dealers	8	14
Quantitative	9	12
ESG/Sustainability	4	9
Macro	2	20
Investment Specialists	2	14

#### Who is the Team?

The firm underwent a generational transition with Adam Karr, 32 years of investment experience and 23 years of tenure, assuming the day-to-day leadership of the investment team from his predecessor, William Gray, in December 2021. Karr is now ultimately accountable for portfolio construction and the performance of the global equities strategy and is a highly experienced and capable investor. The leadership transition to Karr has been smooth, whilst maintaining team cohesion. The Fund comprises three standalone global sub-portfolios, weighted equally, and is the responsibility of a dedicated portfolio manager. The portfolio managers for these sub-portfolios are Karr, Ben Preston, and Graeme Forster. The trio are suitably experienced and well credentialed investors displaying a strong buy-in to the firm's contrarian investment philosophy. Although, the portfolio management structure is relatively new as it was implemented in May 2022, it is a positive development to improve decision-making and accountability. Positively, the trio work collegiately, recommending stocks they consider appropriate for the overall portfolio, rather than just managing their slice as a standalone portfolio. Nicholas Puser is a highly skilled professional in currency management with extensive experience in the field.

## Team (continued) ●●●

### Lonsec Opinion

#### Skill

The three portfolio managers are well-qualified to manage the global equities portfolio. Karr, as President and lead strategy portfolio manager, is ultimately accountable for the fund's performance. He is a highly experienced global equities investor and has been with the firm since 2002, which gives him strong ties to the organization. Similarly, Preston and Forster are experienced global equity investment professionals with 25 and 18 years of experience, respectively, all gained at the firm. Their long tenures have provided the trio with a deep understanding of the investment process, and they have developed a strong collaborative working relationship that allows them to share stock ideas and challenge each other's views effectively.

#### Team Size

The Manager has a well-resourced team of 44 analysts located across Europe, Asia, and the Americas to ensure comprehensive on-the-ground company coverage. Unlike many of its peers, the investment team follows a matrix structure. Of the analysts, 27 are organized by major regions, while 16 are grouped by global sectors. Orbis places a strong emphasis on individual accountability and discretion at the analyst level, which is a notable strength compared to other firms. Analysts have full autonomy over their research, and their compensation is linked to their Analyst Recommended List (ARL), commonly referred to as their 'paper portfolio'. The recruitment process is rigorous, resulting in high turnover among lower-level analysts. Additionally, the fund includes an active currency overlay managed by two currency professionals and the investment team is supported by six quantitative analysts.

#### Track Record/Co-Tenure

The Fund's three senior portfolio managers have a strong working relationship, having significant tenure at the firm of 23 years on average and reflecting the firm's private ownership boutique culture. Turnover within the senior ranks has tended to be reasonably low. Personnel who reach the five-year milestone are considered to be good performers and may be offered participation in Orbis' equity program, further locking in the team's most talented and experienced members. The average senior analyst tenure is high at 13 years.

#### Alignment

The portfolio managers are strongly aligned with the performance outcomes of end investors by being granted participating units of the firm's profits. This is a prudent measure ensuring that variable remuneration is closely tied to the performance of the aggregate strategy. The industry's best practice is to directly align variable remuneration with strategy performance rather than firm profits, albeit the strategy represents the bulk of Orbis' assets. The participation units are subject to a 12-year participation period or 'tail' on departure with no cash buy-out, to ensure that departing portfolio managers remain incentivised and aligned to make decisions that benefit the long-term prosperity of investors and the firm.

#### Key Person Risk

Key person risk is considered to be low given the team-based decision-making process and rests amongst the three portfolio managers. However, there is a risk that the loss of any individual portfolio manager will materially impact team dynamics, culture, and the Fund's rating.

### Process ●●●

#### What is the Investment Process?

Orbis Investment Management employs a long-term, fundamental bottom-up investment process to identify undervalued companies. This style is contrarian in nature, buying stocks when they have fallen out of favour with the wider market. Such processes can underperform during bull markets and in periods of short-term market stress, as Orbis tends to buy falling stocks early. The Manager does not identify with any particular style and the style bias can deviate through market cycles. Analysts have their view on what constitutes contrarian opportunities, which can be influenced by their sector or region of coverage. The Fund can feature a blend of 'deep value' stocks that are trading at heavily discounted prices and stocks that are GARP, which have solid longer-term growth prospects although trade at a discount to 'intrinsic value'. This diversity tends to impact on conventional style analysis characteristics. The Orbis Global Equity LE Fund (Australia Registered) Retail Class, is identical to the flagship Orbis Global Equities Fund (Australia Registered Retail) but has certain ESG exclusion screens. There is a very high degree of crossover of holdings across both portfolios.

### Lonsec Opinion & Supporting Facts

#### Philosophy and Universe

Investment Type	Fundamental
Investment Approach	Bottom-up
Investment Style	Value
Typical market cap	All cap
Minimum market cap	>US\$5.00b
Available Universe	The Fund is able to invest in any listed equity in any market across the globe.

Orbis implements a disciplined, analyst-driven and highly detailed fundamental bottom-up research process. The contrarian-based investment process attempts to exploit market misunderstandings and heavy share price discounts to intrinsic value. Orbis employs an opportunistic approach to research where each analyst has the discretion to investigate any idea within their universe. Quantitative screens assist in the discovery process, helping to narrow and prioritise opportunities. These screens are customisable by analysts but typically include return on equity, net asset value, sustainability of earnings growth and working capital adequacy metrics. The Fund's investment style is fluid. Orbis do not conclusively prescribe with any particular style and the Fund can deviate significantly from the benchmark through market cycles. This is a function of the degree of flexibility and individualism implicit in the process. That is, reflecting the investing bias of each portfolio manager and the emphasis on determining their own view of 'intrinsic value' when assessing investments. At times, this can lead to a mixed portfolio of 'value' and 'growth' names, challenging performance outcomes.

#### Research Process

Key screens	At least US\$15m daily liquidity
Screened universe	3500
Idea generation	A structured research process allows analysts to quickly eliminate unattractive ideas in the early stages and concentrate their efforts on a handful of their most promising undervalued ideas using a variety of qualitative and quantitative tools.
Stocks researched	380
Annual manager meetings	800
Key research inputs	Financial statements, Company meetings, Company data, Industry data, Expert networks
Primary valuation approach	IRR

The research process involves three layers of self vetting by analysts, with each stage progressively requiring deeper analysis. This promotes a high level of individual accountability and conviction. Analysts are considered to have sufficient time to conduct due diligence as they may only generate three to seven new ideas annually. The experience of the portfolio managers is critical in guiding the development of the team and quality of research output. This is particularly important given the risk of inexperienced analysts pursuing poor quality ideas. The bottom-up research emphasises internal financial models and valuations, although broker research can be used to gauge market and consensus views. The primary valuation metrics are DCF and IRR models, although analysts are free to select their own methodology and input their own assumptions. Albeit, a more standardised approach to valuation and financial assumptions can improve consistency and comparability, the flexible approach is well aligned with the analyst ownership of their research. Notably, the valuation techniques and assumptions adopted are critically assessed at the Policy Group Meeting (PGM).



### Process (continued) ●●●

#### Portfolio Construction

Portfolio management structure	Portfolio Team
Approach to benchmark	Benchmark Agnostic
Typical security numbers	77
Typical securities range	62-91
Typical portfolio turnover p.a.	49.00%
Typical active share	92.00%

Once a stock idea has been developed by an analyst, they are required to make a presentation to the PGM. The PGM is a peer review forum and does not involve any formal stock approvals. All stock ideas are evaluated in a PGM before being added to an analyst's ARL. This is a valuable feature, ensuring all stocks have been consistently evaluated given the team's varied experience. High stock ownership and significant FUM, may challenge the sell discipline if there is a need to swiftly liquidate the holding. Portfolio construction of the sub-portfolios is the responsibility of each portfolio manager and pleasingly the capital allocations have been stable. Portfolio construction is designed to ensure capital flows to the best risk-adjusted opportunities, enhancing the Fund's appeal.

#### Capacity Management

Capacity guidance	Not specified
Strategy AUM	US\$31.3b
Portfolio liquidity (1 week)	100.0%
Substantial holdings by manager	None
Strategy previously closed	No

The Manager does not have a formal capacity limit. The Manager invests in stocks when they are out of favour with the market and coupled with elevated AUM levels, this could add to liquidity concerns when trading stocks, particularly in heightened sell-offs. A formal capacity study and definitive capacity figure would be a positive development.

#### Investment Risk Management

Monitoring external to investment team	Yes
Frequency of monitoring	Daily
Primary risk management system	Proprietary
Security Limits (Min./Max.)	Soft: Absolute, 0-10%
Sector Limits (Min./Max.)	Unconstrained
Country Limits (Min./Max.)	Unconstrained
Non-index Allocation (Typical, Max.)	Unconstrained
Cash Allocation (Typical, Max.)	1%, 10%

The evaluation of risk is well featured in the bottom-up process. A stock's 'margin of safety' is a key element of the research and each investment thesis is thoroughly tested at the PGM. There is less emphasis on benchmark risk management compared to peers. Quantitative risk models are employed to measure risk exposures and this process aims to review the risk-return trade-offs of large exposures and reduce exposures that do not offer commensurate returns. Currency management is considered both a risk management and alpha generating function by weighting towards currencies that are expected to better preserve value over time, while also having a lower expected risk of capital loss. The currency team estimates the fair value of a currency using the commonly applied PPP method.

## ESG ●●●

### Manager Positioning - Product

Responsible investment style	ESG Integration
ESG approach	Risk or Value
Sustainability thematic	No Sustainability Thematic
Non-financial objective	Fund will not invest in tobacco companies and companies involved in the production of nuclear weapons, anti-personnel, cluster munitions or depleted uranium weapons.

### What is the Manager's ESG approach for this product?

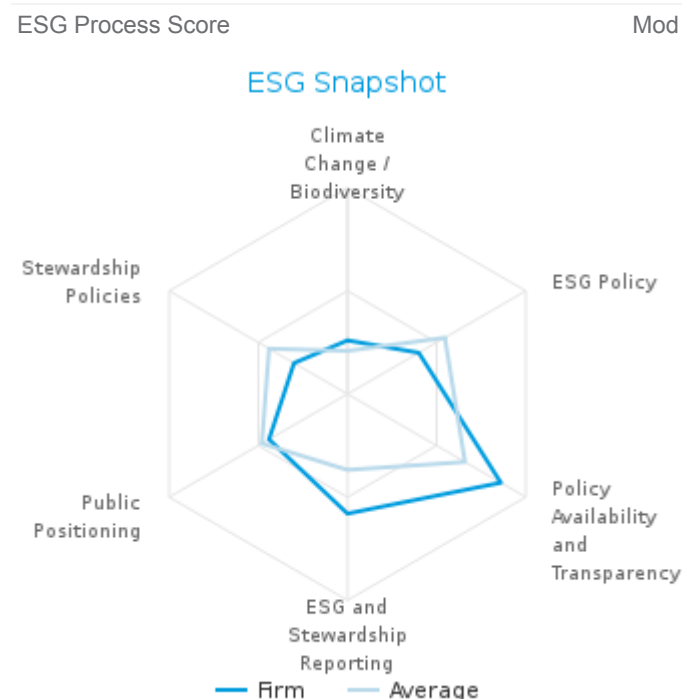
The Manager has indicated that their Responsible Investment style is "ESG Integration" and as such that they take Environmental, Social and Governance factors into consideration when assessing investment opportunities. With a primary ESG style of "Risk or Value" Managers will determine inclusion based on the balance of overall risk (including ESG risk) and potential return. As a result this approach may mean that lower quality ESG companies may be included if the return potential is sufficient and this may conflict with some clients perception of what a strong ESG process would deliver.

### Sustainability Score

No score.

## Lonsec Opinion & Supporting Facts

### Overview



### Product Level Approach

The Manager has an appropriately structured approach to the collection and use of ESG specific data. They access multiple providers and data feeds into research models. The Manager demonstrates a well structured ESG research process. Research outputs are qualitative allowing input to investment decisions but in a less structured manner than in some peers. There are clear links from the Manager's research to the stock selection process through the Managers incorporation of ESG factors in their forecast cashflow models. There is monitoring of ESG characteristics of the portfolio across a number of ESG and sustainability dimensions, however this plays a limited role in overall portfolio construction. Engagement is a component of the Manager's approach and engagements are recorded. The Manager could improve its measurement of the success of those engagements, both positive and negative.

### Strategy: Clarity, Measurability & Reporting

This product does not make any specific claim to being a sustainable, ethical or impact offering. As such, an alignment review for the product is not required thus the product's risk of misalignment has been assessed as N/A.

### Manager Level Approach

The Manager's overall ESG policy framework and disclosure are broadly aligned with their peers. The Manager is committed to integrating ESG within their investment process with evidence of public positioning. While relevant policies are published on the firm's website, the proxy voting and engagement policy frameworks remain generic and lack depth compared to peers. Reporting on voting and engagement outcomes is publicly available, although Lonsec would welcome further disclosure at the company level for engagement outcomes.



### Product ●●●

#### Service Providers

Responsible entity	Equity Trustees Limited
Investment manager	Orbis Investment Management Limited
Sub-investment manager	No
Custodian	Citibank N.A, Hong Kong Branch
Administrator	Citigroup Pty Ltd
Fund Auditor	Ernst & Young
Change in Key Providers? (Over last 12 months )	No

#### Product Details

Product size	\$5.22b
Fund 12-month net flows	Negative
Buy/sell spreads	0.25%/0.25%
Investment structure	Direct
Product type	Registered Managed Investment Scheme (Unitised)
Currency hedged	N/A
Use of derivatives	Yes
Types of derivatives	Foreign currency forward contracts

#### What is the Product Structure?

The Orbis Global Equity LE (Australia Registered) Retail Class ('the Fund') is an actively managed long only, benchmark unaware global equities product. The overall portfolio typically contains 50-100 stock positions and portfolio turnover is expected to range between 40-60% p.a. The Fund is a vanilla Australian-domiciled unit trust and is unhedged. The Fund has exclusions on companies directly involved in tobacco production and controversial weapons. The Orbis Global Equity Fund – Australia Registered Retail version, does not have these exclusions.

### Lonsec Opinion

#### Service Providers

The Manager has engaged large 'tier 1' service providers for functions of custody, administration and broking services. The Fund's responsible entity is Equity Trustees and is independent from the firm and the custodian and administrator is Citibank.

#### Wind-up Risks

The Manager has a strong business commitment to grow the Fund in Australia, with an on-the-ground presence in Sydney and Melbourne and the broader capability is well supported by the market. Wind-up risk for the Fund is considered to be minimal.

#### Operational 'Red Flags'

The Fund is a long only, value styled global equities product that will typically have a tilt toward larger, liquid global companies that are listed on recognised stock exchanges. This strategy is not operationally challenging to implement and there are no known operational issues.

### Fees ●●●●

#### Annual Fees and Costs (% p.a.)

Management fees & costs	1.05
Performance fee costs	0.00
Net Transaction Costs	0.09
Buy/Sell Spread	0.25/0.25
<b>Annual fees and costs</b>	<b>1.14</b>

Source: FE fundinfo, PDS Date: 20/Nov/2024

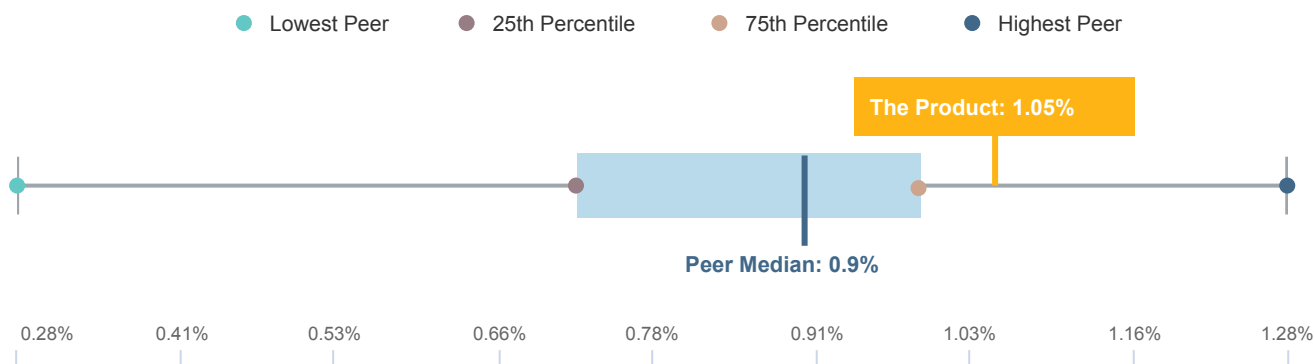
#### Performance Fees

Applicable	Yes
Hurdle type	Benchmark relative
Hurdle	25% of outperformance is paid into a refundable reserve. If the Fund underperforms, refunds are issued at the same rate. Orbis receives payment only where the reserve has positive value, capped at lesser of 1/3 of the reserve or 2.5% annually, with a HWM.
Rate	25%
Fee capping	Yes
High watermark	Yes
Above high watermark	No
Reset Allowed	No

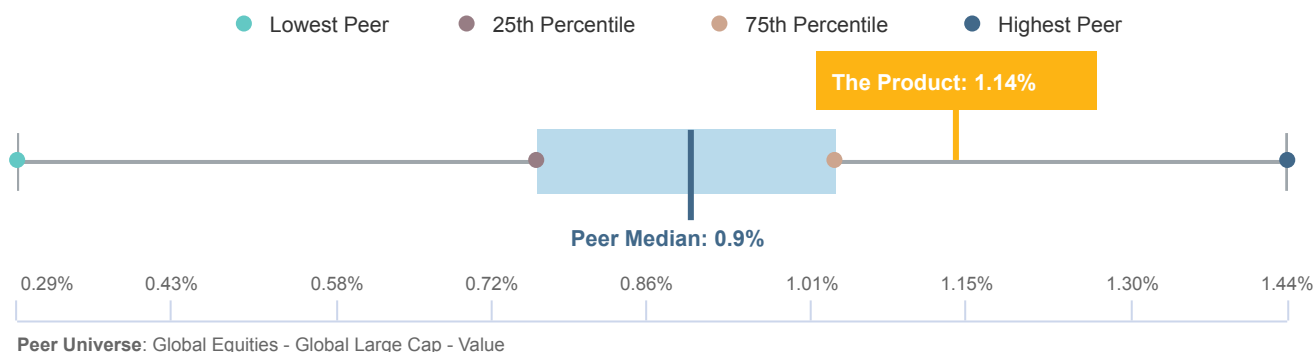
#### Fees Explained

The Fund's Management Fees and Costs component of its Annual Fees and Costs ('AFC') totals 1.05% p.a.

#### Management Fees and Costs Peer Comparison



#### Annual Fees and Costs Peer Comparison



### Lonsec Opinion

#### Annual Fees and Costs

The Fund's AFC of 1.14% p.a. is meaningfully higher than peers.

#### Fairness

The fee structure is well-suited to the Fund's style and is a fairer outcome relative to traditional performance fees.

Performance data is as at 31 December 2024

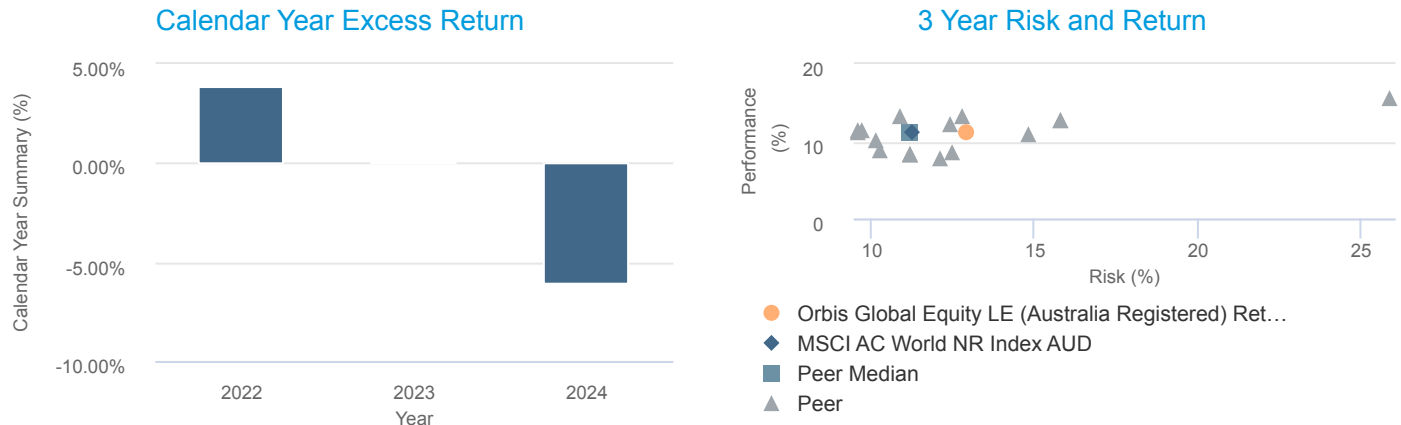
Performance

Performance Summary

PDS return objective	To seek higher returns than the average of the world’s equity markets, without greater risk of loss over the long term after applying exclusions.
Internal return objective	Outperform the benchmark (net) over five years or more.
Internal risk objective	Avoid the risk of permanent capital loss over the medium term.
Product benchmark	MSCI AC World NR Index AUD
Lonsec peer group	Value

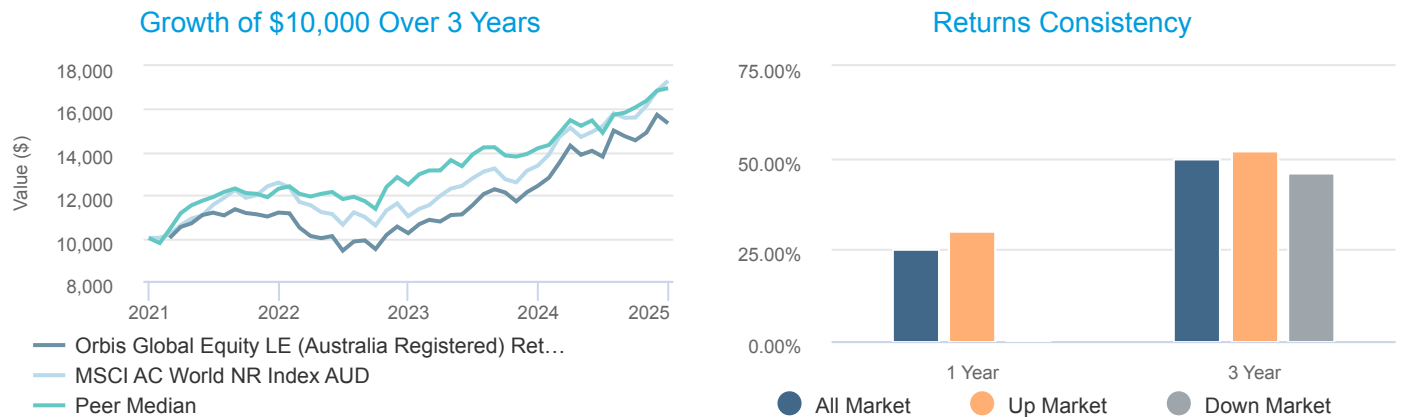
Alpha Generation

The Fund has a short track record being inceptioned in 2021. Over three years to 31 December 2024, the Fund returned 11.1% p.a. (after fees), underperforming its Benchmark modestly by 0.1% p.a. Over the shorter 12-month period, the Fund returned a solid 23.4% (after fees), underperforming its Benchmark by 6.1% (after fees) and outperforming the peer median return by a healthy 4.5%. The Fund uses the MSCI All Country World Index With Special Tax Index (AUD) as its benchmark, which is a variation of the benchmark used in the report. The “Special Tax” version uses rates of withholding tax applicable to Australian investors.



Alpha Consistency

It is too early to assess the Fund's consistency of outperformance, given its track record is only three years. The Manager's underlying strategy has a long term track record of out performance but it can deviate meaningfully from the Benchmark over short term periods due to the Manager's long term and contrarian approach.



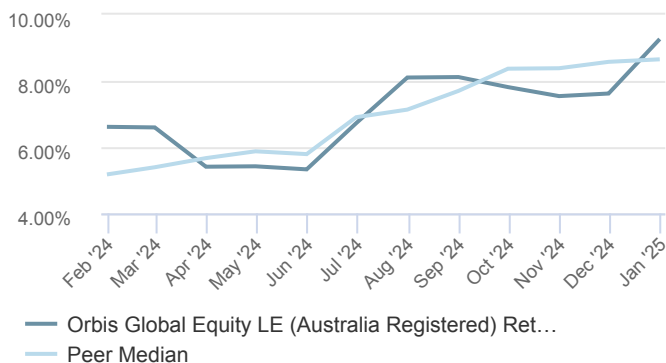
Performance data is as at 31 December 2024

### Performance (continued) ●●●●

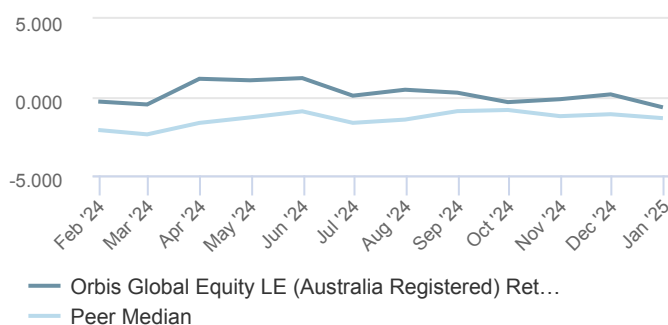
#### Benchmark Relativity

The Fund's active risk taking relative to the Benchmark as measured by Tracking Error has been high at 7.3% p.a. over the last three years to 31 December 2024, and is lower than the peer median of 8.0% p.a., reflecting the Manager's process of building well diversified investment portfolios. Notably, tracking error is not targeted and is an outcome of the process.

##### 1 Year Rolling Tracking Error Over 1 Year



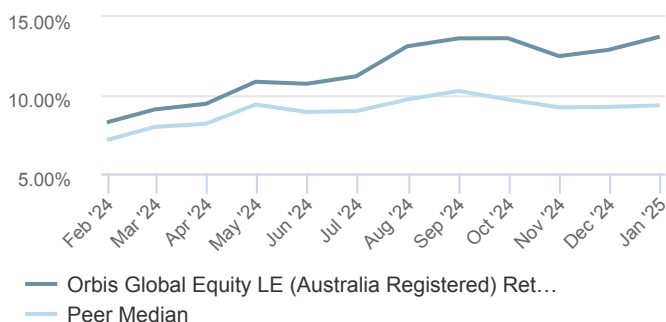
##### 1 Year Rolling Information Ratio Over 1 Year



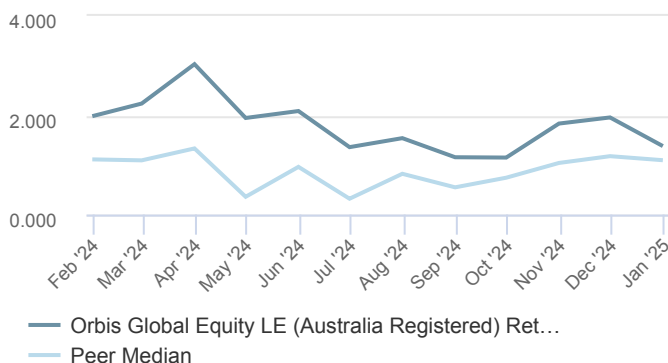
#### Return Volatility

The Fund's volatility, as measured by Standard Deviation of returns, of 12.9% p.a. over the last three years to 31 December 2024 is higher than the peer median of 11.7% p.a. This reflects the Manager's approach to concentrate the portfolio in the top 10 holdings. The Fund's risk-to-reward, as measured by the Information Ratio, has been in line with the peer median over this period.

##### 1 Year Rolling Standard Deviation Over 1 Year



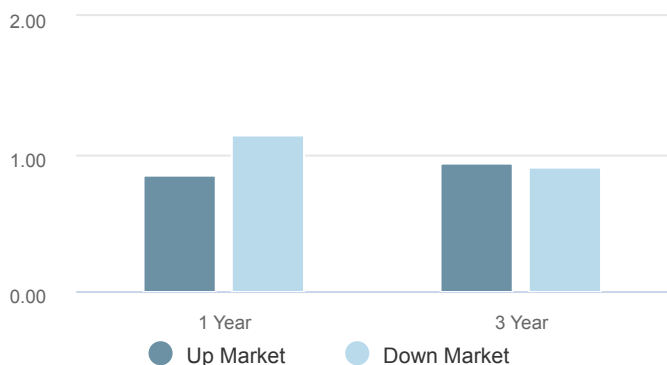
##### 1 Year Rolling Sharpe Over 1 Year



#### Product Defensiveness

The Fund's worst performance drawdown of -15.6% p.a., over the Fund's short track record, is worse than the peer median of -12.1% p.a. The Orbis Global Equity Fund - Australia Registered Retail version of the Fund, has outperformed close to 60% of the time in down markets over five years to 31 December 2024.

##### Market Capture Ratio



##### Drawdowns



## Ratings

**'Highly Recommended'** rating indicates that Lonsec has very strong conviction the product can meet its investment objectives.

**'Recommended'** rating indicates that Lonsec has strong conviction the product can meet its investment objectives.

**'Investment Grade'** rating indicates that Lonsec has conviction the product can meet its investment objectives.

**'Approved'** rating indicates that Lonsec believes the product can meet its investment objectives.

**'Not -Approved'** rating indicates that Lonsec does not believe the product can meet its investment objectives.

**'Closed / Wind Up'** status is applied when the product has been closed.

**'Fund Watch'** status is applied when a rating is under review due to the occurrence of a significant event relating to the product.

The **'Redeem'** rating indicates Lonsec no longer has sufficient conviction that the product can meet its investment objectives.

The **'Screened Out'** rating indicates Lonsec was unable to attain sufficient conviction that the product can meet its investment objectives.

**'Discontinued Review'** status is applied where a product issuer withdraws the product from the review process prior to completion, for any reason other than the product being closed or unavailable to investors.

The **'Ceased Coverage'** status is applied when a rated product is withdrawn from the research process by the product issuer.

## General

**Climate Change / Biodiversity:** the extent to which a manager has a leading climate and biodiversity policies.

**ESG and Stewardship Reporting:** the transparency, accessibility and usefulness of a manager's reporting.

**ESG Policy:** the strength of commitment to ESG as ascertained by a review of a manager's ESG policies.

**Excess return:** Return in excess of the benchmark return.

**Information ratio:** Relative reward for relative risk taken (Excess Returns / Tracking Error).

**Key decision maker (KDM):** A nominated investment professional who has portfolio decision making discretion for a Fund, e.g. 'buy' or 'sell' decisions.

**Market capture ratio:** A product's performance during either 'up' or 'down' market trends relative to an index.

**Policy Availability / Transparency:** the ease of public access to, and transparency of, a manager's overall ESG policy suite.

**Public Positioning:** the resolve of a manager's commitment to ESG as ascertained by their public positioning.

**Returns consistency:** The proportion of a product's monthly outperformance during a period relative to the benchmark when it was rising, falling and in aggregate.

**Sharpe ratio:** Excess return earned for additional volatility experienced when holding riskier assets versus risk-free asset.

**Standard deviation:** Volatility of monthly Absolute Returns.

**Stewardship Policies:** the strength of a manager's proxy voting and engagement policies with respect to ESG.

**Time to recovery:** The number of months taken to recover the Worst Drawdown.

**Total return:** 'Top line' actual return, after fees.

**Tracking error:** Volatility of monthly Excess Returns against the benchmark (the Standard Deviation of monthly Excess Returns).

**Worst drawdown:** The worst cumulative loss ('peak to trough') experienced over the period assessed.

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## Lonsec Research FSG Financial Services Guide

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### 1.1 What is a Financial Services Guide?

This FSG's purpose is to provide you with important information regarding services offered by Lonsec Research. You should read this FSG prior to using our services. This document was prepared to inform you about:

- who we are and our contact details;
- the financial services we provide;

- the remuneration that may be paid to us and other persons in relation to the financial services we provide;
- how we deal with conflicts of interest; and
- how we deal with complaints

### 1.2 About Lonsec Research and its related parties

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[www.lonsec.com.au](http://www.lonsec.com.au)

### 1.3 What kind of financial services can Lonsec Research provide?

Lonsec Research is authorised under its Australian Financial Services Licence to provide general financial product advice to retail and wholesale clients on the following types of financial products:

- securities
- deposit and payment products limited to basic product products
- derivatives
- interests in managed investment schemes including investor directed portfolio services
- superannuation
- retirement savings accounts
- foreign exchange products
- life products including:
  - investment life insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds; and
  - life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;

Lonsec Research is also authorised to deal in a financial product by arranging for another person to apply for, acquire, vary, or dispose the above types of products for or by retail and wholesale clients.

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Any advice that Lonsec Research provides is of a general nature and does not take into account your personal financial situation, objectives or needs. You should, before acting on the information, consider its appropriateness having regard to your own financial objectives, situation and needs and if appropriate, obtain personal financial advice on the matter from a financial adviser.



## Lonsec Research FSG (continued)

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#### Complaints Manager

Level 39, 25 Martin Place  
Sydney NSW 2000

Tel: 1300 826 395

Email: [complaints@lonsec.com.au](mailto:complaints@lonsec.com.au)

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Online: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Phone: 1800 931 678

Mail:

Australian Financial Complaints Authority

GPO Box 3

Melbourne, Victoria, 3001.

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