



Refer to glossary for definition of the rating

Product Review

About this Product

Investment manager	Orbis Investment Management Limited
Benchmark	CPI + 4.00%
Product structure	Managed Fund
Product size	\$10.40m
Inception date	Feb 2017
Asset class	Multi-Asset
Sector	Variable Growth Assets
Growth/defensive split	Variable
Peer group	Real Return
Rated peers	26

Product Characteristics

Business Life Cycle	Mature
Product Wind-Up Risk	Medium
Key Person Risk	High
Tenure of Decision Makers	Medium
Complex (RG240)	Yes
Strategy Remaining Capacity	No capacity limit
ESG Approach	Risk or Value
Peer Relative Fees and Costs	Above median

Annual Fees and Costs (% p.a.)

Management fees & costs	1.20
Performance fee costs	0.20
Net Transaction Costs	0.02
Buy/Sell Spread	0.25/0.25
Annual fees and costs	1.42

Source: FE fundinfo, PDS Date: 01/Aug/2024

Strengths

- The lead portfolio manager is considered experienced with significant tenure implementing the Manager’s investment process.
- The Fund’s portfolio hedges of equity beta and currency are a competitive edge.
- The Manager’s bottom-up contrarian equity research is detailed and of a high quality.
- The Fund has met its return objectives and is one of the top performers in the peer group from both absolute and risk-adjusted perspectives.

Weaknesses

- The breadth of asset classes available to the Manager is not as broad as some peers.
- The Fund’s overall fee load is moderately high when considering the performance fee.
- The team’s breadth in fixed income within a multi-asset context is relatively limited compared to some larger multi-asset peers.
- The Fund may, at times, demonstrate a less attractive drawdown profile than peers.

Product Opinion

The Fund’s rating has been upgraded to **‘Recommended’** at its latest review. The rating reflects the regard for the Lead Portfolio Manager Alec Cutler and strength of the contrarian bottom-up research process and portfolio hedges. The Fund has met its return objectives and is one of the top performers from both absolute and risk-adjusted perspectives.

The team’s experience and breadth in fixed income within a multi-asset context is relatively limited compared to some larger multi-asset managers, The total fee load is considered moderately high relative to peers.

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 balance the generation of investment returns and risk of loss using a diversified global portfolio. In doing so, the aim is to seek higher returns than CPI+4% per annum over the long-term.
Internal return objective	Excess return to 60% MSCI World Index with net dividends reinvested, expressed in AUD, and 40% JP Morgan Global Government Bond Index, hedged into AUD.
Internal risk objective	To contain the risk of monetary loss below the risk of loss experienced by global equity funds over the long term
Non-financial objective	None

Asset Allocation (%) (as at 30/06/2024)

	SAA Benchmark %	Min %	Max %	Current Allocation %
International Equities	N/A	0.00	90.00	63.00
Global Fixed Interest	N/A	0.00	70.00	28.00
Others	N/A	0.00	15.00	7.00
Cash	N/A	N/A	N/A	2.00
Total				100.00

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

	1 Year	Median	2 Year	Median	3 Year	Median	5 Year	Median
Performance (% p.a)	20.23	9.26	17.04	8.12	14.22	2.87	10.80	4.30
Standard deviation	8.85	4.13	7.54	4.90	8.59	5.62	9.75	5.78
Excess return (% p.a)	13.80	2.03	9.80	0.84	5.48	-5.94	3.09	-3.99
Outperformance ratio (% p.a)	58.33	58.33	62.50	54.17	55.56	41.67	55.00	48.33
Worst drawdown (%)	-1.41	-1.57	-3.50	-3.29	-6.93	-6.46	-13.46	-8.84
Time to recovery (mths)	1	3	2	2	2	19	9	-
Sharpe ratio	1.78	1.04	1.71	0.84	1.28	-0.07	0.90	0.50
Information ratio	1.56	0.51	1.30	0.10	0.63	-1.13	0.31	-0.50
Tracking error (% p.a)	8.85	4.26	7.56	4.96	8.66	5.86	9.82	5.99

Lonsec Peer Group: Multi-Asset - Variable Growth Assets - Real Return

Product Benchmark: CPI + 4.00%

Cash Benchmark: Bloomberg AusBond Bank Bill Index AUD

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

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	No

Rating History

15-May-2024	Investment Grade
20-Apr-2023	Investment Grade
22-Mar-2022	Investment Grade

Target Market Determination

Produced by issuer	Yes
Provided to Lonsec	Yes

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%

Governance

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

Who is the Manager?

The Fund is managed by Orbis Investment Management Limited's ('Orbis') Bermuda-based multi-asset team. Orbis is part of the Orbis Group and shares resources with their sister company Allan Gray Proprietary Limited. Allan Gray and Orbis share a common heritage and investment philosophy, both having been founded by Dr Allan Gray.

Orbis was founded in 1989 and is a global investment firm with offices across eight countries, over 400 employees and over US \$40.0b in assets under management as of February 2025.

Lonsec Opinion

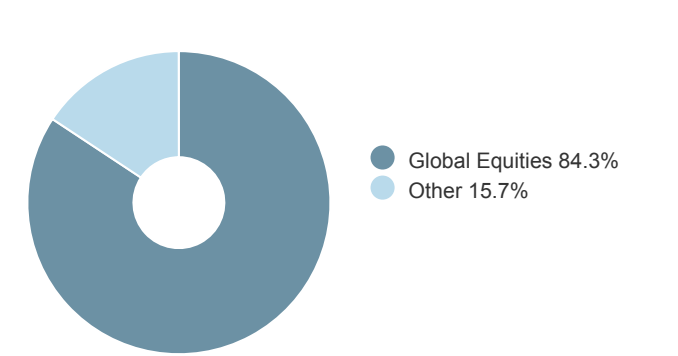
Profitability

Orbis is a profitable, sustainable investment management business, with US\$40b in assets under management as of February 2025.

Business Track record

Orbis has developed a solid business track record since inception in 1989 having managed various investment strategies for an extensive period of time, primarily in the global equities franchise.

AUM



Metrics

Total AUM	\$56.6b
Investment Management Headcount	437
Investment Professionals	63
Sales & Service	53
Distributor	Internal

Business Ownership

Orbis enjoys a strong boutique ownership culture, with foundation owners a charity with a long-term investment horizon. The Allan and Gill Gray Foundation ('the Foundation') indirectly holds a controlling ownership stake in Orbis. The Foundation was established to: (i) to promote the commercial success, continuity and autonomy of the Orbis and Allan Gray groups, and (ii) to ensure distributable profits of the Foundation are devoted to philanthropy.

Day-to-day control of the businesses has been vested in Orbis Allan Gray Limited, a holding company whose board consists of a majority of present executives and includes non-executive directors.

Business Governance

Orbis is considered to have a reasonable governance framework with no regulatory findings or enforceable undertakings occurring over recent years. While Orbis does not have an audit committee, it has a Global Risk Committee to oversee the firm's global risk, compliance and internal audit initiatives. The company has a separate internal audit function.

Team ●●●

Key Decision Makers (KDM)

	Primary function	Dedicated to strategy	Appointed to strategy	Industry/Mgr exp. (yrs)	Exp. in PM roles (yrs)
Alec Cutler	Portfolio management	Yes	2013	31/20	30
Mark Dunley-Owen	Portfolio management	Yes	2022	23/4	23
Timo Smuts	Research	Yes	2023	8/8	8

KDM Change*

No changes.

* Last 3 years

Profile

Size	8
Structure	Centralised
Turnover	Low

Alignment

KDM equity held in manager	No
KDM co-investment in strategy	Yes
Performance-Based bonus	Yes
Long term incentive plan	Yes

Resources

	Number	Average Years Experience
Key decision makers	3	20
Portfolio Managers		
Hybrid portfolio manager/analysts	5	11
Dedicated analysts		
Dedicated dealers		
Quantitative		
ESG/Sustainability		
Macro		
Investment Specialists		

Who is the Team?

Alec Cutler is the Lead Portfolio Manager of the Fund and heads the Orbis Multi-Asset team based in Bermuda. Cutler has more than 30 years of industry experience, including 20 years with Orbis.

Cutler leads a team of eight, including Portfolio Manager Mark Dunley-Owen with over 23 years of investment experience, including 15 with the broader Orbis Group. Timo Smuts is a Multi-Asset Analyst, leading the Fund's fixed income effort with responsibility for the fixed income paper portfolio.

The Key Decision Makers are supported by five other members of the multi-asset investment team.

Team (continued) ●●●

Lonsec Opinion

Skill

Cutler and Dunley-Owen are the key investors and are ultimately responsible for the performance of the Fund. Cutler is an experienced investor with more than 30 years of industry experience, including 21 years with Orbis. Dunley-Owen is viewed as a credible resource having previously been a Portfolio Manager at Allan Gray with over 20 years of investment experience.

While the team may have less direct experience in multi-asset strategies compared to highly rated multi-asset peers, the team has demonstrated strong capacity to deliver investment objectives over the life of the Fund. The team leverages off the broader investment team, across both Orbis and Allan Gray particularly equities which are viewed as possessing a strong pedigree in this asset class.

Team Size

Considering the breadth of asset classes available to the Manager, the size of the investment team is broadly in line with peer median. The broader resources available to the team include an additional 55 investment professionals and 61 investment support staff. The Multi-Asset team draws on and contributes to the efforts of other Orbis research teams, including a Global team of sector specialists, three regional teams, 36 equity analysts who look across the whole equity universe, the currency team of two, and the Quant and Data Insights team of nine.

Track Record/Co-Tenure

There is a moderately low level of turnover within the team over the past several years and co-tenure is developing soundly. This is partly attributable to Cutler's preference for the multi-asset team be based in one location. The Fund's track record can be largely ascribed to Cutler, although Dunley-Owen's contribution is developing, now responsible for 20% of the Fund's model portfolio.

Alignment

The team's alignment with investors is a relative strength of the Fund. Portfolio Manager remuneration is strongly tied to the performance of their portfolios and is compared to a relevant and measurable benchmark. Bonuses are paid on an annual rolling basis within a 10% alpha cap for any one year, with any excess or underperformance carried over. While this approach is viewed positively, the annual period of evaluation does not match the relatively longer investment horizon of the Fund.

Employees co-invest in Orbis funds alongside clients on the same terms and fees and, alongside the firm's founders, owners and management, are one of the largest single investors in the Orbis funds. While the management does not hold equity in the investment manager, they hold 'participation units' which provide variable compensation tied to the profits of the firm.

Key Person Risk

Key person risk in Cutler is relatively high. This reflects the view in Cutler as the main decision maker for the Fund and the broad view of his leadership of the Manager's multi-asset capabilities. Dunley-Owen's Portfolio Manager responsibilities have recently increased from a 15% to a 20% sleeve of the Fund's portfolio, which is viewed favourably.

Process ●●●

What is the Investment Process?

From August 2024 the Fund's benchmark changed from a 60/40 composite index to CPI+4% p.a. At the same time, the Fund changed its name from the Orbis Global Balanced Fund to the Orbis Global Real Return Fund. There has been no change to the investment approach or process, apart from broader asset allocation ranges.

The asset allocation in the Fund is driven primarily from the bottom up, through views emerging from the underlying research process. Drawing on the ideas of global company analyst teams, Cutler and Dunley-Owen direct client capital into the highest conviction ideas across equities, Government bonds, treasury inflation-protected securities, corporate bonds, and commodity-linked assets, selected on a bottom-up basis.

Cutler is responsible for the Fund overall and considers input from Quant and Currency analysts and internally developed tools, to manage equity and currency hedging and portfolio-level risks.

Lonsec Opinion & Supporting Facts

Philosophy and Universe

Investment Style	Real Return
Asset Allocation Approach	Unconstrained or Real Return
Sector Exposure	Active
Available Universe	Direct Securities, ETFs, Derivatives, Cash

The Manager follows a valuation-based and contrarian investment philosophy which has been consistently applied. The Manager has the core belief markets are not always efficient nor rational due to the impact of short-term reactions from investors. The Manager believes this can lead to the market focusing on short-term news versus the long-term fundamental outlook. The Manager seeks to exploit such occurrences and gains exposure to companies either via equity or debt, and in some cases both, if the investment opportunity is highly compelling.

The change of the Fund's name and benchmark is appropriate given the Fund's contrarian philosophy, bottom-up approach and high conviction investment process.

Research Process

Idea generation	Analyst research
SAA review frequency	N/A
DAA/TAA signals	Valuation, Risk Regime
Managers actively tracked	N/A
External consultant	N/A

Bottom-up idea generation, of contrarian high conviction opportunities, is at the core of the Manager's philosophy and research process. Research ideas are formulated by using a variety of qualitative and quantitative tools with a tendency to identify 'unloved' securities through periods of price depression in otherwise sound businesses. This process is viewed favourably overall, and results in individual analysts having the discretion to provide their own fundamental research on a paper portfolio of 'best investment ideas', a differentiating feature of the Fund compared to peers.

Once an investment idea has been developed by an analyst, they are then required to make a presentation to the Policy Group Meeting ('PGM'). The discourse in the PGM is aided by the team's diverse academic and employment backgrounds. The valuation techniques and assumptions adopted are critically assessed at the PGM. This is a significant part of the process adding rigour to, and encouraging development of, the analysts and the research process.

While the breadth of the fixed income universe the Manager selects from may be narrower than larger multi-asset peers, the research capability of the global sector specialists is commensurate to the investment approach. The research developed from the Quant and Currency analysts supporting Cutler's portfolio decisions on the equity and currency hedging component the Fund is considered a competitive edge of the investment process.

Process (continued) ●●●

Portfolio Construction

Portfolio decision making	Portfolio Manager
Approach to benchmark	Benchmark unaware
Targeted tracking error	N/A
Use of mandates	No
Use of alternatives	Yes
Use of unlisted assets	No

There is a strong link between portfolio construction and research effort, with the team seeking high conviction asymmetric risk-return trade-off opportunities with margins of safety, with consideration liquidity and diversification. While the portfolio construction process may be relatively opaque compared to peers, it is appropriate given the investment philosophy.

The Fund's portfolio is constructed using the Model Portfolio ('the Model') as an input, of which Cutler is responsible for 80% and Dunley-Owen 20%. The Model, is constructed using the paper portfolios of analysts. Cutler is responsible for equity hedging, currency management and portfolio level risk. This component of portfolio construction is viewed positively, as it allows for accountability of decisions. The approach to reduce portfolio equity beta aligns with their conviction in extracting equity alpha from their value and contrarian style and it also reflects the firm's specialist skill set in equities with less reliance on bottom-up expertise in fixed income.

Capacity Management

Capacity is not to a concern for this Fund at this stage given the investable universe and size of the strategy.

Investment Risk Management

Monitoring external to investment team	Yes
Frequency of monitoring	Daily
Primary risk management system	Proprietary
Security Limits (Min./Max.)	0%/20%
Rebalancing bands	N/A
Gross exposure range	N/A

The Manager's approach to risk management is a material component of its investment process with the Manager demonstrating a strong risk awareness in its portfolio construction.

The Manager has a focus on 'bottom-up' risk in its security research via a 'Margin of Safety' incorporated into its research. This 'Margin of Safety' approach is aligned to the Fund's risk objective to contain the risk of monetary loss to a level below the risk of loss experienced by global equity funds but higher than government bond funds and cash deposits over the long term.

The Manager's use and skill in implementing equity and currency hedging is a strong component of their portfolio risk management.

The Manager has less of an emphasis on traditional 'top-down' risk management, such as tracking error or hard sector limits, relative to other multi-asset peers, although quantitative risk models are used to monitor and measure risk exposures.

Manager Positioning - Product

Responsible investment style	ESG Integration
ESG approach	Risk or Value
Sustainability thematic	No Sustainability Thematic
Non-financial objective	None

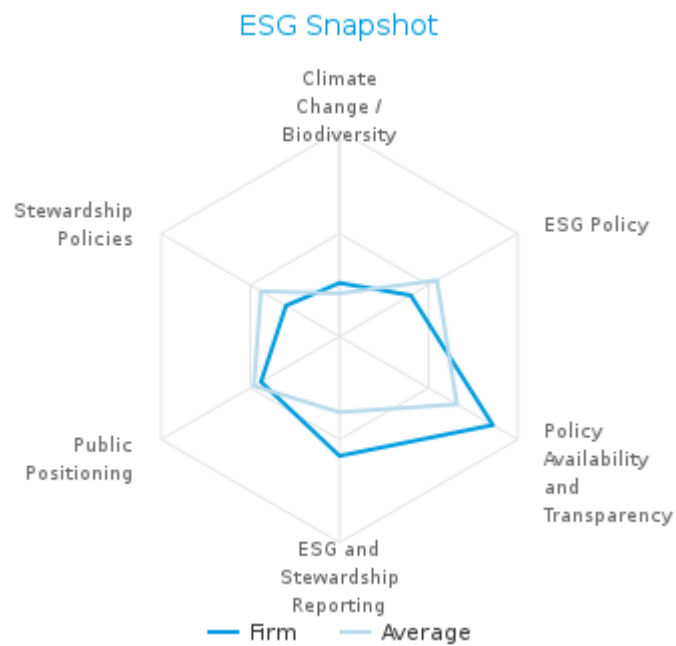
What is the Manager's ESG approach for this product?

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.

Lonsec Opinion & Supporting Facts

Overview

ESG Process Score	ModLow
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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. While there may be elements of ESG integration undertaken in underlying asset classes there is no clear ESG structure at the overall portfolio level, with no ESG committee, minimum ESG requirements for underlying assets or required styles of ESG integration. The Manager does not apply any portfolio level screens and does not perform look through monitoring of portfolio rules. 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
Custodian	Citibank
Administrator	Citigroup Pty Ltd
Fund Auditor	Ernst & Young
Change in Key Providers? (Over last 12 months)	No

Product Details	
Product size	\$10.40m
Fund 12-month net flows	Positive
Distribution model	Internal
Buy/sell spreads	0.25%/0.25%
Net transaction costs	0.02
Product type	Registered Managed Investment Scheme (Unitised)

What is the Product Structure?

The Fund is an Australian unit trust, with Equity Trustees Limited appointed as the responsible entity. In August 2024 the Fund changed its name from the Orbis Global Balanced Fund to the Orbis Global Real Return Fund.

Lonsec Opinion

Service Providers

The Fund uses an external 'Tier 1' Responsible Entity ('RE') provider. The use of external REs is a preferred operating model. Additionally, the Manager uses high quality 'tier 1' service providers, including its counterparties.

Wind-up Risks

The wind-up risk of the Fund is considered moderate given the commitment of the Manager, the long track record of the global strategy dating back to January 2013, the established multi-asset investment team, and the recent growth in fund size from \$10.4m as of June 2024 to \$130m as of April 2025.

Given the change in the Fund's name, investors should not be concerned the Manager has changed the philosophy or process underpinning the Fund's strategy. There has been no change to the investment approach or process, apart from broader asset allocation ranges.

Operational 'Red Flags'

The Fund is a multi-asset strategy investing across a range of relatively liquid securities within growth and defensive assets classes and is not considered operationally challenging to implement.

Fees

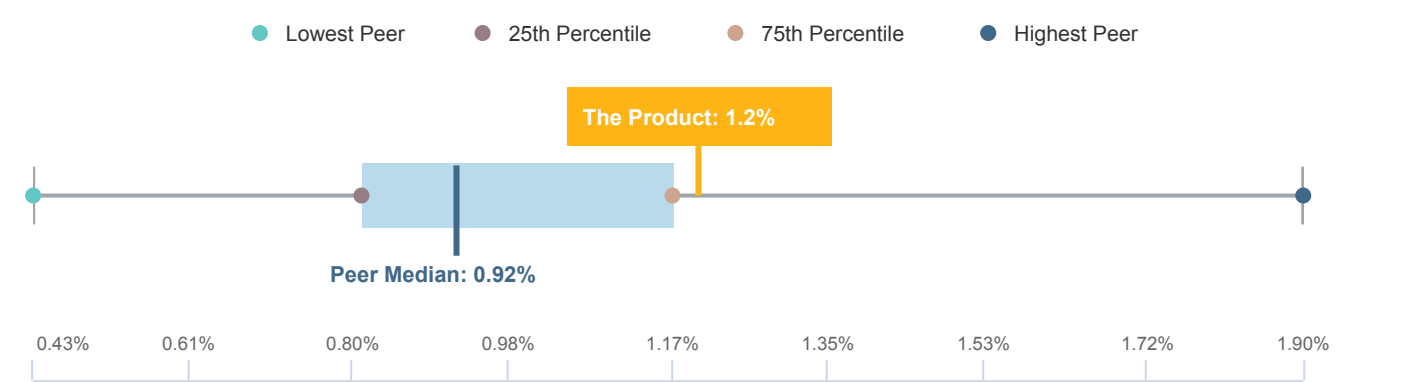
Annual Fees and Costs (% p.a.)		Performance Fees	
Management fees & costs	1.20	Applicable	Yes
Performance fee costs	0.20	Hurdle type	Benchmark relative
Net Transaction Costs	0.02	Hurdle	Benchmark
Buy/Sell Spread	0.25/0.25	Rate	25%
Annual fees and costs	1.42	Fee capping	Yes
Source: FE fundinfo, PDS Date: 01/Aug/2024		High watermark	Yes
		Above high watermark	Yes
		Reset Allowed	No

Fees Explained

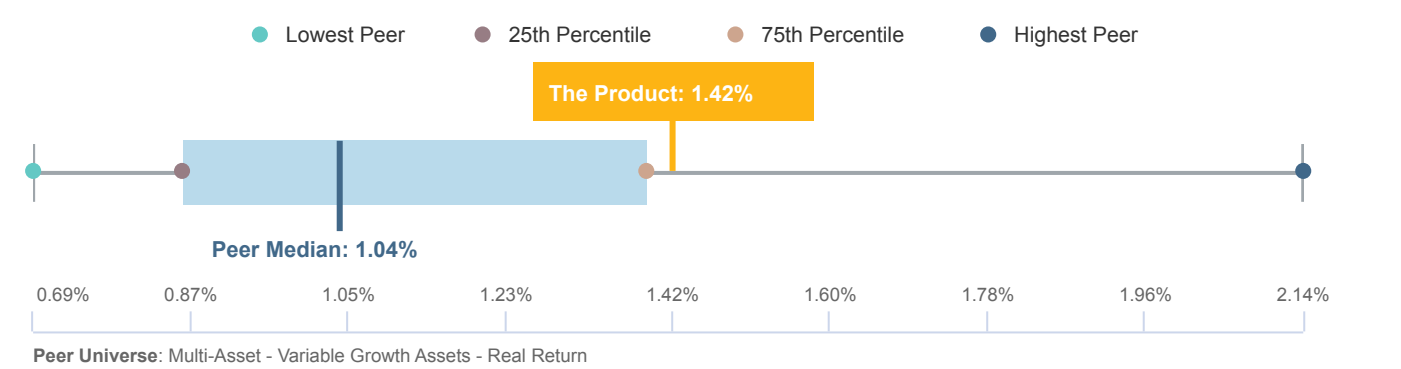
The Fund's PDS dated 1 August 2024 disclosed Annual Fees and Costs ('AFC') totaling 1.42% p.a. This value comprises (1) Management Fees and Costs of 1.20% p.a., (2) Performance Fees of 0.20% p.a., and (3) Net Transaction Costs of 0.02% p.a. The Fund charges buy/sell spreads set at 0.25%/0.25%.

The Fund charges a performance fee when the Fund beats the Benchmark, 25% of the outperformance is paid into a reserve. When the Fund underperforms the Benchmark, refunds are issued at the same 25% rate. The performance fee estimated above is based on the average of the Fund's performance over the last five years, had the current Benchmark been applicable.

Management Fees and Costs Peer Comparison



Annual Fees and Costs Peer Comparison



Lonsec Opinion

Annual Fees and Costs

The total fee load for the Fund is moderately high within the peer group.

Fairness

Given the level of active risk taken by the Manager and the performance fee charged, with its refund mechanism, the fee structure is relatively well structured and provides alignment.

Performance data is as at 31 December 2024

Performance ●●●

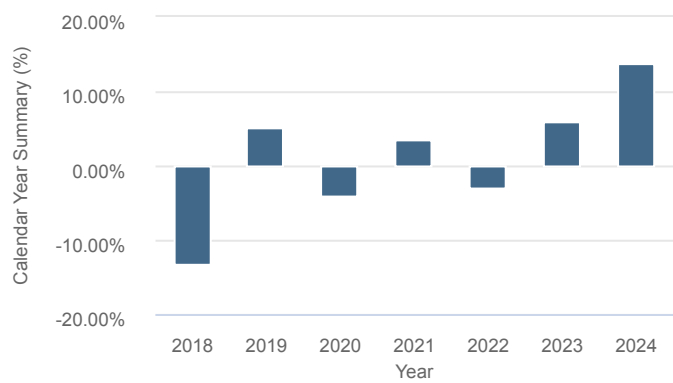
Performance Summary

PDS return objective	To balance the generation of investment returns and risk of loss using a diversified global portfolio. In doing so, the aim is to seek higher returns than CPI+4% per annum over the long-term.
Internal return objective	Excess return to 60% MSCI World Index with net dividends reinvested, expressed in AUD, and 40% JP Morgan Global Government Bond Index, hedged into AUD.
Internal risk objective	To contain the risk of monetary loss below the risk of loss experienced by global equity funds over the long term.
Product benchmark	CPI + 4.00%
Lonsec peer group	Real Return

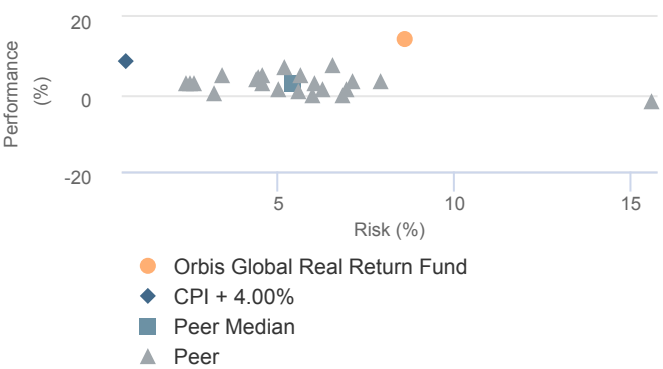
Alpha Generation

From August 2024 the Fund's Benchmark changed from a 60/40 composite index to CPI+4% p.a. The charts below measure the Fund's performance against the CPI+4%p.a. benchmark. The Fund has met its investment objective over the medium term and is one of the top performers in the peer group over the medium term from both absolute and excess return perspectives.

Calendar Year Excess Return



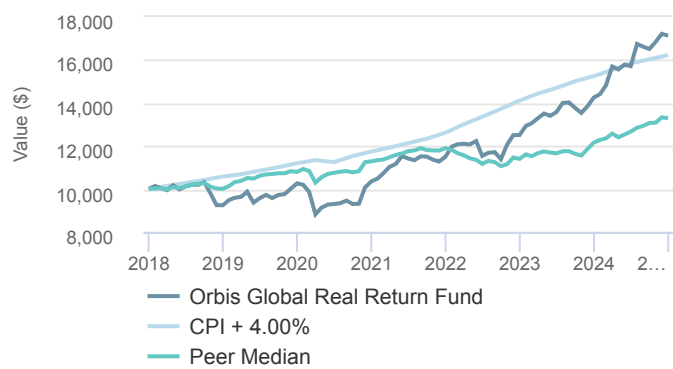
3 Year Risk and Return



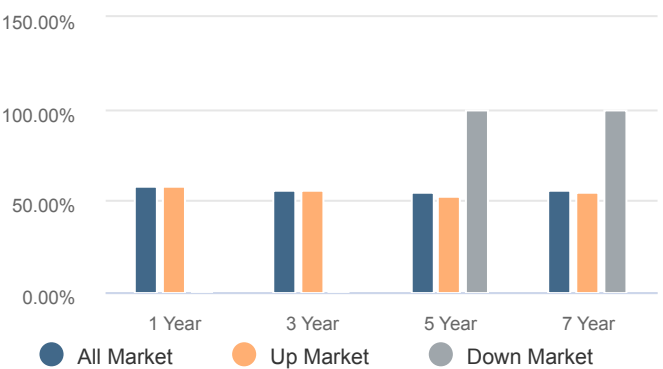
Alpha Consistency

The Fund has demonstrated good level of consistency of performance over the medium-term, but due to relatively high tracking error and volatility can demonstrate some year-to-year inconsistency.

Growth of \$10,000 Over 7 Years



Returns Consistency



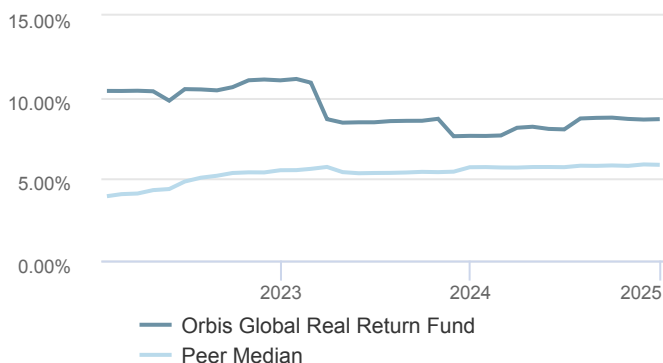
Performance data is as at 31 December 2024

Performance (continued) ●●●

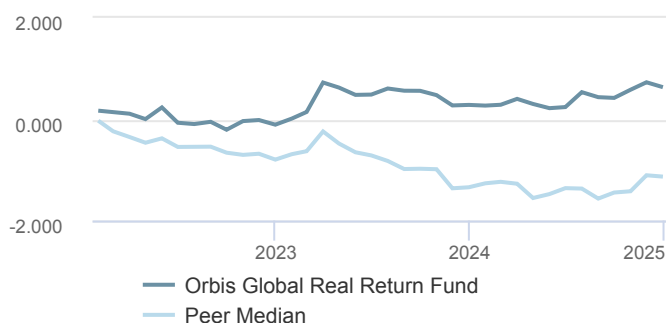
Benchmark Relativity

The Fund's tracking error is well-above the peer median given the relatively high conviction approach from a security selection perspective. The Fund's Information Ratio is one of the highest in the peer group.

3 Year Rolling Tracking Error Over 3 Years



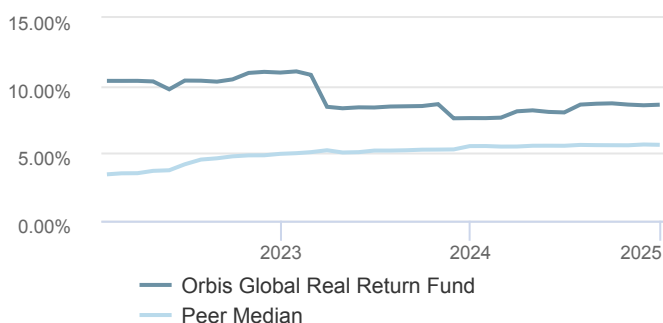
3 Year Rolling Information Ratio Over 3 Years



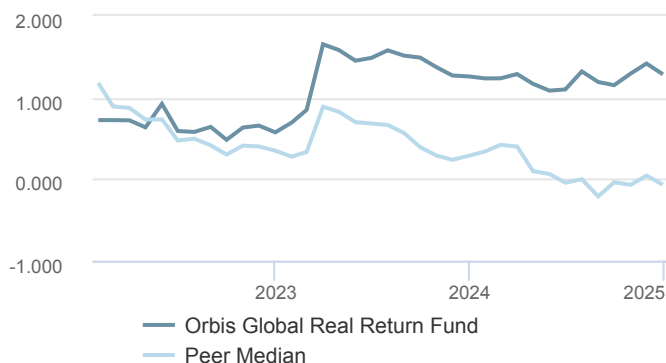
Return Volatility

The Fund's volatility over three- and five-year periods has been above peer median. The stronger relative performance has resulted in stronger risk-adjusted performance than peers, as demonstrated by higher Sharpe ratios over most assessed time periods.

3 Year Rolling Standard Deviation Over 3 Years



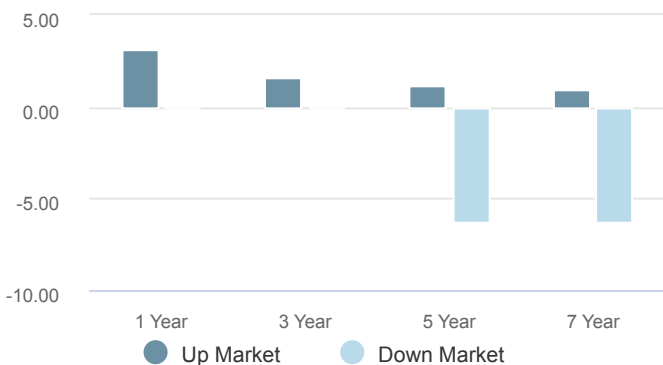
3 Year Rolling Sharpe Over 3 Years



Product Defensiveness

The Fund's drawdown profile is similar to the peer median over the short and medium term but has been less favourable than the peer median over the long-term.

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.

Lonsec Group Disclaimers

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Lonsec Research FSG Financial Services Guide

This Financial Services Guide (FSG) has been prepared and issued by Lonsec Research Pty Ltd ABN 11 151 658 561 (Lonsec Research, we, us, our), holder of Australian Financial Services Licence (AFSL) No. 421445, to assist you in determining whether to use our financial services and products. This is an important document, and you should read it carefully. The contents of this FSG are general information only and does not take into account your personal needs or objectives. Lonsec Research provides no warranty as to the suitability of the services of this FSG for any particular person.

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

ASX listed Generation Development Group Limited (ABN 90 087 334 370) is the parent company of Lonsec Holdings Pty Ltd (ABN 41 151 235 406) (Lonsec Holdings). Lonsec Research is a wholly owned subsidiary of Lonsec Holdings Pty Ltd (ABN 41 151 235 406) (Lonsec Holdings) and provides in-depth, investigative investment research across a broad range of listed and unlisted investments. Other subsidiaries of Lonsec Holdings include SuperRatings Pty Ltd (ABN 95 100 192 283), Implemented Portfolios Pty Limited (ABN 36 141 881 147) and Lonsec Investment Solutions Pty Ltd (ABN 95 608 837 583). All employees of the Lonsec group entities, including Lonsec Research, are employed by Lonsec Fiscal Pty Ltd (ABN 94 151 658 534).

Contact Details

Lonsec Research Pty Ltd
Level 39, 25 Martin Place
Sydney NSW 2000
Tel: 1300 826 395
Email: info@lonsec.com.au
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.

1.4 Provision of general advice

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)

Before making a decision regarding any financial product, you should obtain and consider a copy of the relevant Product Disclosure Statement or offer document from the financial product issuer.

1.5 How Lonsec Research is paid

Lonsec Research receives fees from Fund Managers and/or financial product issuers for researching their financial product(s) using comprehensive and objective criteria. Lonsec receives subscriptions fees for providing research content to subscribers including financial advisers, fund managers and financial product issuers. Lonsec Research's fees are not linked to the financial rating outcome of a particular financial product. Lonsec Research fees are determined by private agreement with its clients depending on a number of criteria including the number of financial advisors who access Lonsec Research publications, the range of publications accessed and the complexity of a specific research assignment. Due to the specific nature of its charges, disclosure of Lonsec Research fees may not be ascertainable when you receive this FSG, but you are able to request this information in writing before a financial service is provided to you. The fees received by Lonsec Research do not have an effect on the inclusion (or otherwise) of a financial product in portfolios managed by Lonsec Investment Solutions; or in approved product lists as a result of Lonsec Investment Solutions consulting activities. We do not have any direct employees as all employees are contracted, for employment purposes, with Lonsec Fiscal, a subsidiary of Lonsec Holdings. All employees of Lonsec are paid a salary and may receive a discretionary bonus which is not guaranteed. Sales employees may have a sales commission plan, relevant for sales to Wholesale clients, as offered by Lonsec Research from time to time at its discretion.

1.6 How do we manage our compensation arrangements?

Lonsec Research has Professional Indemnity insurance arrangements in place to compensate clients for loss or damage because of breaches of any relevant legislative obligations by Lonsec Research or its representatives which satisfy section 912B of the Corporations Act 2001.

1.7 What should you do if you have a complaint?

Lonsec Research's internal complaints handling process is designed to ensure that your concerns are treated seriously, addressed promptly and fairly. A complaint may be lodged either verbally or in writing and will be dealt with in strict confidence. If you have a complaint relating to Lonsec Research's products, services, its employees, the complaint should be addressed to:

Complaints Manager

Level 39, 25 Martin Place

Sydney NSW 2000

Tel: 1300 826 395

Email: complaints@lonsec.com.au

An individual may request further information about Lonsec Research's internal complaints handling procedure at any time. If an individual is not satisfied with the outcome of their complaint or has not received a response within 30 days from Lonsec Research, the individual can complain to the Australian Financial Complaints Authority (AFCA). AFCA provides an independent dispute resolution service and can be contacted on:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail:

Australian Financial Complaints Authority

GPO Box 3

Melbourne, Victoria, 3001.

1.8 Conflicts of Interest

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Lonsec Research review and rate products for Fund and Equity Managers who may from time to time have holdings within Generation Development Group Limited. Lonsec Research manages any potential conflict by disclosing to investors who access the research for these products and by implementing a comprehensive ratings process, information barriers and monitoring program. For further information on how Lonsec manages its conflicts refer to our Conflicts of Interest Statement accessible here <https://www.lonsec.com.au/lonsec-group-conflicts-of-interest-statement/>. For more information refer to Lonsec Research Ratings Methodology available on our platform iRate or by contacting us on 1300 826 395.

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This FSG was prepared on 1 August 2024.