

Qualitative Fund Research

Schroder Wholesale Australian Equity Fund

23 December 2025

 RESEARCHIP Rating



RESEARCHIP

The views and opinions in this document are considered valid for one year from the date published.

Qualitative Fund Research Contents

Rating Profile	3
Meet the Manager	3
Key Takeouts.....	4
Research IP Says	4
Top 10 Takeaways from latest review meeting.....	4
The Fund	5
Using this Fund.....	5
Funds Under Management.....	6
What the Manager Says	7
About Research IP.....	17
Disclaimers, Disclosures and Warnings.....	18

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
 Copyright: Research IP Pty Ltd.

Rating Profile

Research Process Category	Factor Weight	Analyst Score	Maximum Score
Corporate & Investment Governance	15%	4.25	/ 5
Investment Philosophy & Process	20%	4.20	/ 5
People	25%	4.33	/ 5
Portfolio Construction & Implementation	15%	4.33	/ 5
Risk Management	15%	4.40	/ 5
Investment Fees	10%	4.14	/ 5
Overall Average Score		4.29	/ 5

Meet the Manager

Schroders is a world-class asset manager operating from 35 locations across Europe, the Americas, Asia, the Middle East and Africa. Schroders is one of the largest independent investment managers providing investment management services from offices in 38 locations. While many financial institutions try to provide all things to their clients, they specialise in just one - pure investment management. Established in 1964, Schroders in Australia is a wholly owned subsidiary of UK-listed Schroders plc. Based in Sydney, the business manages assets for institutional and wholesale clients across Australian equities, fixed income and multi-asset and global equities. Further information about the Manager can be found in its online profile. Schroders believes in the potential to gain a competitive advantage from in-house global research; that rigorous research will translate into superior investment performance. Schroders believes that internal analysis of investment securities and markets is paramount when identifying attractive investment opportunities. Proprietary research provides a key foundation of their investment process and their world-wide network of analysts is one of the most comprehensive research resources dedicated to funds management. Schroders is a signatory to the United Nations Principles of Responsible Investment (UNPRI). We integrate our sustainability research into our investment across asset classes and geographies. It's integral to everything we do. Sustainability analysis is not simply a "tick-box" exercise but a way to add value through real insight. We also use engagement with companies and voting at AGMs to encourage positive change for the whole life cycle of an investment.



We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351). Copyright: Research IP Pty Ltd.

Key Takeouts

To outperform the S&P/ASX 200 Accumulation Index after fees over the medium to long term by investing in a broad range of companies from Australia and New Zealand. The Fund may invest in Australian and New Zealand securities including but not limited to equities, cash and cash equivalents, exchange traded funds, futures, options and listed equity market derivatives.

Research IP Says

The **Schroder Wholesale Australian Equity Fund** has been awarded a “5 IP” rating from Research IP with a score of 4.29/5.

- **Highly disciplined and valuation-centric:** Schrodgers stands out for its rigorous mid-cycle, cashflow-based valuation framework, which is more structured and consistently applied than many peers relying on shorter-term earnings signals or thematic overlays.
- **Deep research capability:** Full-universe coverage, standardised modelling, daily stock discussions and integrated data science give the team a depth of analysis that exceeds most Australian equity managers.
- **Experienced and stable team:** Long average tenure and sector expertise provide continuity and informed judgement, with a collaborative model that reduces key-person dependency relative to more star-PM-driven competitors.
- **Transparent and systematic portfolio construction:** The bespoke optimiser, economic diversification focus and strict risk controls create a more robust and repeatable process than peers using simpler benchmark-aware or conviction-only approaches.
- **Integrated ESG approach:** ESG impacts are directly factored into valuations and portfolio sizing, contrasting with peers who treat ESG as a separate overlay or rely on external scoring systems.
- **Strong capacity discipline:** FUM is well below internal limits, with formal capacity thresholds and liquidity rules that are tighter than industry norms.
- **Potential relative weaknesses:** The strong valuation bias may lag peers in momentum- or growth-led markets; the process may appear rigid compared with more flexible or opportunistic approaches.
- **Overall:** A highly structured, research-intensive, risk-aware manager with strong long-term alignment, offering a disciplined alternative to more style-driven peers, at a competitive fee.

Top 10 Takeaways from latest review meeting

1. Team structure has evolved, but productivity hasn't suffered

The team now operates across Sydney and Melbourne, but widespread use of Microsoft Teams and hybrid work means collaboration remains strong. Informal “osmosis learning” is reduced for Melbourne staff, but structured meetings compensate.

2. The research process has become more structured and accountable

Analysts circulate notes before presentations, everyone submits mandatory questions, Q&A is documented, and polls are used to test consensus and outlier views. This improves quality, reduces bias, and ensures all voices contribute, while significantly reducing reliance on brokers.

3. Portfolio construction is highly systematised

Three portfolio managers independently submit trade ideas before meetings, avoiding anchoring or influence. The Equity Vis system integrates research, valuations, audits, execution paths, and history.

4. Trading has centralised to Singapore and improved

Algorithmic execution, oversight by a highly engaged global trading head (Will – previously Head of Trading in Australia), and greater resiliency have made trading more efficient and less vulnerable to market leakage. Schrodgers pays low brokerage and avoids old-school trade handling.

5. Clear scepticism toward earnings-momentum investing

They argue many active managers have become closet momentum investors—and that computers do this far better. Their edge is in long-term valuation and qualitative judgment, not short-term earnings prediction.

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.

6. Passive, systematic, and quant flows are distorting markets

Large quant managers (e.g., systematic strategies) have captured most alpha dollars in recent years. Passive flows have contributed to valuation anomalies, reduced price efficiency, and created crowding in mega-cap winners.

7. They believe the environment has been unusually hostile for their contrarian style

The last 10 years (post-GFC easy money) heavily rewarded momentum and growth. Matching the benchmark over such a period is viewed internally as a win. They believe mean reversion is inevitable and the payoff for value is growing.

8. They see strong value opportunities now—especially in healthcare

CSL, Sonic, and Ramsay trade at discounts despite strong long-term fundamentals. They also highlight anomalies such as:

- Woolworths trading in line with Coles despite materially better business economics.
- Pilbara Minerals trading below IGO despite IGO being higher quality on margins.

9. Major underweights in financials (CBA and Macquarie) are intentional

They see both as aggressively priced with limited long-term earnings growth. Macquarie is viewed as a maturing business losing some of its historic edge; CBA remains a benchmark distortion.

10. Business outlook is stable; SMA product is separate and niche

The SMA came via the Evans & Partners team and has a different (more growth-tilted, less contrarian) style. It is run independently from the main team. No plan to turn it into a unit trust.

The Fund

Fund Details	Schroder Wholesale Australian Equity Fund
Fund Code	APIR Code: SCH0101AU
Responsible Entity / Trustee	Schroder Investment Management Aus Ltd
Geographic Focus	Australia
Sector / Asset Class	Shares
Benchmark	S&P/ASX 200 TR AUD
Alpha Objective	2% to 3% p.a. before fees
Minimum investment horizon	>5 years
Management Fee	0.800% p.a.
Performance Fee	Performance Fee - None
Estimate of Total Fund Charges	0.800% (inc GST) – 04/06/2025

Using this Fund

The Schroder Wholesale Australian Equity Fund ("the Fund") is an actively managed core Australian equity portfolio with a focus on investing in quality stocks predominantly in Australia characterised by strong returns on capital with a sustainable competitive advantage. The Fund draws on Schroders' deep research capabilities, with a long term focus on investing, it is suitable as a core portfolio holding over the medium to long term. The Fund is for investors who seek higher returns over the medium to long term and are prepared to accept high volatility in returns including negative returns over the short term.

The investment process is a combination of qualitative industry and business quality assessment together with quantitative financial forecasts and valuations. The Fund may invest in Australian and New Zealand securities including but not limited to equities, cash and cash equivalents, exchange traded funds, futures, options and listed equity market derivatives.

Factor	Target
No. of securities in universe	200
No. of securities fully researched	200+
Typical number of holdings	40-70
Expected Portfolio Turnover	20-50%
Typical level of cash held in the portfolio	3%

Funds Under Management

Fund currency	Australian Dollar	As at date
Current size of the Fund (\$)	\$1,763,246,614	28/10/2025
Current FUM in the strategy, including mandates (\$)	\$10,893,404,341	30/06/2025
Current total FUM of the Manager (\$)	\$1,623,913,380,554	30/06/2025

Further Information	Schroder Wholesale Australian Equity Fund
Fund Website Link	https://www.schroders.com/en-au/au/adviser/funds/australian-equities/schroder-wholesale-australian-equity-fund/
Manager Fund Update	https://www.schroders.com/en-au/au/adviser/funds/australian-equities/schroder-wholesale-australian-equity-fund/
Product Disclosure Statement	https://www.schroders.com/en-au/au/adviser/funds/australian-equities/schroder-wholesale-australian-equity-fund/
Latest Articles / Views	https://www.schroders.com/en-au/au/adviser/insights/

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.

What the Manager Says

Who holds accountability for the Fund's outcomes and actions? How relevant is the work / career history of the investment team to the management of the Funds?

Manager Statement:

While portfolio construction is a **team-based process** involving multiple members, the final accountability for the fund's outcomes and actions rests with Martin Conlon, Andrew Fleming and Justin Halliwell. A team approach is applied to business and investment management, with structures in place to manage succession, development, and reduce key person risk. There are formal annual reviews and action planning at senior management and board levels to ensure ongoing accountability and talent management.

The career history of the investment team is **highly relevant** and strategically aligned with the management of the funds.

- **Depth of Experience:** Many team members have **decades of experience** in investment management, equity research, and financial analysis. For example:
 - Martin Conlon has been with Schroders since 1994 and has a background in accounting.
 - Andrew Fleming was previously Head of Australian Equities at Credit Suisse.
 - Sally Warneford has held senior roles at Platinum Asset Management and Credit Suisse and was a top-rated analyst.
- **Sector Specialisation:** Analysts and portfolio managers have **specific sector responsibilities** that align with their prior experience. For instance:
 - William Wu brings deep expertise in **Sustainable and Responsible Investing**, enhancing ESG integration.
 - James Bandara's background in **data science and technology** supports the team's analytical and modelling capabilities.
- **Team Integration:** The **portfolio managers also maintain analytical coverage**, ensuring that their past analytical experience directly informs investment decisions.
- **Collaborative Process:** The team's diverse backgrounds contribute to a **rigorous peer review and stock discussion process**, which is central to the fund's valuation and portfolio construction methodology.

Martin, Andrew and Justin bring highly relevant experience in both portfolio construction and sector analysis. Accountability for fund management is clearly assigned to individual portfolio managers, while a collaborative, team-based structure ensures robust decision-making.

Research IP Opinion:

The Schroders Australian Equity team is a highly experienced and stable group led by long-standing portfolio managers Martin Conlon, Andrew Fleming and Justin Halliwell, who have worked together for more than two decades. They are supported by a broader analyst cohort across Sydney and Melbourne. Although hybrid work has become standard post-COVID, the team maintains strong cohesion, with PMs in the office most days and structured interactions replacing some of the informal learning previously gained through proximity.

The Melbourne expansion has widened the talent pool without weakening team culture. Diversity of thought is actively encouraged, with differing sector views and personality types contributing to healthy debate. Research discipline is a standout feature: analysts publish notes ahead of meetings, peers submit written questions, and discussions conclude with team polling on valuation, risk and conviction. Analysts retain ownership of final model inputs, supported by a robust feedback loop.

Portfolio construction mirrors this discipline, with each PM submitting trade ideas independently to minimise anchoring. A dedicated in-house developer supports the integrated Equity Vis system, enhancing research, modelling,

governance and consistency. Alignment is reinforced through deferred bonuses invested into the fund. Overall, depth, process rigour and cultural cohesion underpin Schroders' competitive strength.

Has the CIO/ PM / Investment Team personally invested in the Fund? Do they have the same fee / cost structure as other investors?

Manager Statement:

Yes, the investment team has personally invested in the fund, and this is a key part of their incentive structure. A significant proportion of total remuneration (higher for more senior team members) is directed towards funds managed by the team. As these investments are deferred over a number of years and subject to clawback in the event of departure, the structure is not necessarily units in the fund subject to the same fees as external investors. With the exception of fees, the economic outcome of the investment is identical to that of clients.

Research IP Opinion:

A significant portion of deferred bonuses for key investment staff is invested in the Schroder Equity Opportunities Fund, the all-cap benchmark agnostic strategy run by the team. This creates exposure to the performance of one of the flagship Australian equity strategies and is intended to align staff incentives with long-term client outcomes. The deferred component vests over 3 years, reinforcing a longer-term investment horizon. Meaning they believe in, and personally invest in, the fund's long-term outcomes.

Their deferred remuneration can be allocated either to Schroders group shares or into the fund, and the team overwhelmingly chooses the fund. In short, yes the investment team invest materially in the fund, with a strong internal culture of co-investment and alignment. Research IP believes this reflects a strong alignment of interests between the PMs, analysts and clients.

What are the reasons for investing in this Fund?

Manager Statement:

The fund invests in listed equities in Australia and New Zealand, covering a broad range of companies by size and sector. It provides diversification across industries and economic exposures. The most important reasons for investing in the Schroders Australian Equity Fund, as opposed to an inexpensive index fund are:

- **Active Management and Outperformance Potential:** The fund employs a bottom-up, fundamental, and active management approach, aiming to deliver excess returns above its benchmark (targeting 2–3% p.a. for Core before fees) over multi-year periods. This is achieved through rigorous stock selection, deep company research, and a disciplined, team-based portfolio construction process.
- **Deep Research & Valuation Discipline:** Every stock is subject to rigorous financial modelling, peer-reviewed valuation, and sector-level analysis. This helps uncover mispriced opportunities that passive strategies may overlook.
- **Team-Based Portfolio Construction:** Investment decisions are made collaboratively, with accountability resting with experienced portfolio managers. This reduces key-person risk and promotes consistency.
- **ESG Integration:** ESG factors are embedded in the valuation process, not treated as overlays. Schroders actively engages with companies to drive improvements in sustainability and governance.
- **Tax efficiency:** The portfolio is optimised for low turnover, with a focus on maximising after-tax outcomes for Australian investors. Over 90% of realised capital gains typically qualify for concessional tax treatment, and franking credits are actively considered in investment decisions.
- **Comprehensive Risk Management:** The fund integrates advanced risk assessment tools, such as a proprietary Red Flags system and a custom-built portfolio optimiser, to identify and manage business-specific and macroeconomic risks. The focus is on avoiding permanent capital loss and managing fundamental risks, rather than simply tracking an index.

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.

Research IP Opinion:

There is a strong conviction in the long-term valuation-driven, somewhat contrarian, process and alignment with client outcomes. The team structure is also supportive of long-term decision making, rather than short-term incentives.

A core strength is Schroders' rigorous valuation methodology, which focuses on sustainable, mid-cycle cashflows and business durability rather than short-term earnings momentum. This creates a consistent framework for identifying mispriced opportunities across the full ASX universe.

Compared with peers, Schroders stands out for its unusually disciplined, cashflow-centred valuation framework and its focus on fundamental rather than market-defined risk. Its full-universe coverage, integration of data science into research, and long-tenured team provide a depth of analysis that many competitors cannot match. The portfolio construction process is also more transparent and systematic than typical Australian equity managers.

A unique characteristic of the process is the use of a fundamental risk measure for each stock rather than more traditional measures like volatility or size. Simply the risk measure is built from a range of factors to assess the likelihood that the valuation might be wrong. This creates a two-dimensional view of the stock universe and portfolio. Typically, if there is a higher risk of the team's view being wrong, then risk will be controlled through position sizing. With the overlay of the red flag process and disciplined portfolio construction, this offers a unique risk perspective.

The low turnover of the Fund as well as consideration of the 90 day rule (for franking credits) result in a particularly strong tax outcome for investors.

The Fund is also offered at a competitive fee for a well resourced and disciplined strategy which is designed to deliver outperformance of the broader market over a market cycle (5-7 years).

What are key criteria for the buying and selling decisions of the Fund?

Manager Statement:

Buying and selling decisions of the Fund are overwhelmingly driven by regularly reviewing the prevailing market valuation of a business relative to individual bottom-up valuations prepared by analysts and reviewed in team stock discussions. Stock valuations aim to encapsulate all available information on the companies covered by the team (dominantly Australian and NZ listed companies in the S&P/ASX 300 and a number of additional eligible stocks) and encompass deep qualitative research supported by quantitative tools including standardised financial models, valuations templates and a proprietary Red Flags tool, together with quantified impact of ESG factors. Maintenance of detailed valuations of all companies in the investment universe ensures there is an up to date view of valuation on all companies, allowing a view of overall market valuation. This relativity is important as the advantage of a large team and standardised valuation templates is in both the avoidance of any need for initial filtering and in a reliable method of comparison across the full universe. We see 'alpha' as the ability to compare.

Outside bottom-up valuation, buying and selling decisions may be driven by portfolio risk control and diversification. Position sizing and diversification management are aided by portfolio optimisers which translate analyst-assigned valuations and stock specific risk scores into active weights. Stocks are scored on upside and fundamental risk score (1-10 scale which largely focuses on operational and financial leverage), and each combination is mapped to a target weight. The optimiser also considers liquidity, diversification, and client constraints. Tax efficiency and holding periods are also considered in sell decisions.

Research IP Opinion:

The Schroders Australian Equity team applies a disciplined, valuation-driven approach to buy and sell decisions, anchored in their proprietary mid-cycle earnings framework. A stock becomes a candidate for inclusion when its mid-cycle valuation indicates compelling upside relative to the investment universe. Analysts develop detailed financial models and circulate research notes in advance, enabling the team to interrogate assumptions, compare valuations on a consistent basis and ensure comparability across sectors. The team particularly targets situations where short-term earnings momentum has depressed share prices despite strong long-term fundamentals, or where higher-quality

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351). Copyright: Research IP Pty Ltd.

businesses trade at discounts to weaker peers. Team polling after stock reviews further tests valuation, conviction and risk, allowing divergent views to surface while maintaining analyst ownership of final inputs.

The sum of the parts approach is used when valuing businesses, where a view of the mid cycle valuation of each business unit is aggregated up to form a view of the company's value relative to the current share price. This enables greater consistency when forming views about industry dynamics, before looking at the business segment itself, e.g. comparing Big W (Woolworths) to Target (Wesfarmers).

Portfolio construction considerations also play a central role. All three portfolio managers independently submit trade ideas prior to meetings, preventing anchoring and enabling a clear comparison of expected return, risk contribution and diversification impact. A new position must improve the overall portfolio's valuation, risk balance or economic diversity before it is implemented. Mandate limits and ESG constraints, such as the exclusion of thermal coal, also shape final buy decisions.

Sell decisions arise when a stock's price approaches or exceeds the team's mid-cycle valuation estimate, when long-term earnings power deteriorates, or when capital allocation or management behaviour undermines the original investment case. The team will also reduce or exit positions when superior opportunities arise elsewhere, reflecting the opportunity-cost discipline embedded in the process. Fundamental risk - financial, operational or industry-specific—feeds directly into the optimiser which supports position sizing. Overall, buy and sell activity is governed by a rigorous, team-based structure focused firmly on long-term intrinsic value and disciplined portfolio construction.

In addition, Schroders' red flags process uses a systematic set of financial and operational indicators to identify inconsistencies or risks in a company's reported performance, prompting deeper investigation and incorporation of findings into valuations to prevent blind spots and highlight potential opportunities or concerns.

Compared with peers, Schroders' buy/sell discipline is more **valuation-centric and cashflow-grounded**, relying less on earnings momentum, macro themes or relative valuation signals. Many managers lean on short-term catalysts, whereas Schroders focuses on **mid-cycle value, business durability and fundamental risk**. Its structured red-flags framework, team-wide validation of assumptions and use of a bespoke optimiser also create a more **systematic and transparent** decision process than is typical in the Australian equities peer set.

What are the key drivers of the Fund's performance?

Manager Statement:

The Schroders Wholesale Australian Equity Fund's performance is primarily driven by its disciplined, bottom-up, and fundamentally active investment approach, with a strong emphasis on long-term business quality, valuation, and ESG integration. The investment universe is limited to Australia and New Zealand, encouraging discipline rather than chasing popular themes and allowing investments where knowledge and insight are likely to be lower. Deep company knowledge should be a key underlying driver of performance.

Strong valuation discipline and the fund's focus on long-term fundamentals means it may lag during periods when short-term market momentum or speculative trends dominate returns. Performance may be challenged when market sentiment or short-term earnings momentum outweigh underlying business fundamentals. As passive and systematic funds increasingly dominate flows, performance may also be challenged where non-fundamental flows drive valuation anomalies given the rules-based approaches which underly these strategies. Absolute underperformance may occur during broad market downturns or if valuation assumptions prove incorrect.

Research IP Opinion:

The fund's performance is driven primarily by its valuation-led, contrarian investment approach, which seeks to exploit long-term mispricings rather than short-term earnings momentum. This philosophy has been challenged in recent years by market conditions that strongly favoured passive flows, quant strategies and momentum-driven stocks—particularly mega-caps such as CBA. As a result, structural underweights in these richly valued financials have been a

major performance headwind at points over the last few years, despite being intentional and reflective of the team's disciplined valuation framework.

A second driver is the fund's emphasis on mid-cycle earnings, which shapes both stock selection and portfolio positioning. Because the team looks past short-term earnings fluctuations, they often allocate capital to high-quality businesses experiencing temporary earnings pressure. In the recent period, this approach led them to increase exposure to healthcare names such as CSL, Sonic and Ramsay, where long-term fundamentals remain robust despite cyclical softness.

Another major driver is the team's relative scepticism of high-multiple, momentum-led sectors like certain technology and consumer discretionary stocks. This has contributed to periods of underperformance while momentum remained strong, but the team believes this positioning provides downside protection and will benefit investors when market leadership rotates back toward valuation discipline.

Finally, the fund's performance is shaped by portfolio construction discipline, which emphasises diversification, lower portfolio multiples than the benchmark, and avoidance of crowded or over-owned areas of the market. This leads to structurally different exposures from the index—both a source of long-term value and of relative performance fluctuations over shorter periods.

What are the risks / adverse outcomes that could arise from investing in this Fund?

Manager Statement:

Risks and drivers of adverse outcomes in the Fund stem from its active, valuation-driven approach. Key risks include:

- **Valuation Error:** Misjudging sustainable earnings or business duration can lead to poor stock selection.
- **Market Sentiment:** The fund may underperform in momentum-driven markets where fundamentals are ignored.
- **Cyclical Exposure:** Businesses with high operational leverage or earnings volatility may amplify downside risk.
- **Liquidity Risk:** Smaller cap holdings may be harder to exit in stressed markets.

Positive risks include the potential for contrarian positions to outperform when market sentiment reverses, and for ESG engagement to unlock long-term value.

Investors should be aware that the fund is long-term focused, with low turnover and a preference for deep research over short-term trading. It may hold unpopular stocks that take time to re-rate.

Use of leverage and derivatives is minimal. Derivatives (e.g., SPI futures) are used only for short-term cash management, not for directional bets. The strategy does not employ leverage at the portfolio level.

Research IP Opinion:

A primary risk arises from the fund's **valuation-driven, contrarian philosophy**, is that it can underperform for extended periods when markets reward earnings momentum. The past decade—characterised by low interest rates, rising multiples and dominance of mega-caps—has been particularly challenging for this approach. If these conditions persist, the fund may continue to lag more momentum-oriented peers.

The fund also carries **material active tilts**, currently with underweights in large financials such as CBA and Macquarie, as well as the Wesfarmers conglomerate. While these reflect disciplined valuation work, they can produce significant relative performance drag in markets where these stocks dominate returns. Conversely, increased exposure to out-of-favour sectors such as healthcare could further detract from performance should earnings remain pressured or sentiment fail to normalise.

Another risk stems from the fund's **structural difference versus the benchmark**. The portfolio is intentionally more diversified by economic exposure and typically trades on a lower multiple than the index. While these characteristics may enhance long-term downside protection and performance, they can also create periods of significant tracking error and short-term underperformance, especially if narrow market leadership continues.

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.

There is also **process implementation risk**, including reliance on mid-cycle valuation estimates, analyst modelling inputs and team polling. Errors in these assumptions, or failure to capture structural changes in industries, could lead to mispriced opportunities or value traps, as illustrated by historical challenges in names such as Fletcher Building.

Finally, **industry-wide pressures on active management**—including increasing dominance of passive and systematic strategies—may continue to distort pricing and reduce the opportunity set for fundamentally driven investors, potentially delaying mean reversion and prolonging periods of relative underperformance. However Research IP notes that simply owning the ASX200 index is in fact the biggest “risk” some investors will take (i.e. high concentration to Financials 35% with CBA 10% and Materials 21% with BHP 8%, at the time of writing).

What is the justification for the fees and costs that are charged?

Manager Statement:

Schroders’ fees reflect its active, research-intensive investment process. The fund employs a large, experienced team conducting deep bottom-up analysis across ~300 companies, supported by proprietary tools, data science, and ESG integration. Fees are designed to align with the value-add from stock selection, portfolio construction, and long-term performance targets.

As stated in the PDS, The Schroder Wholesale Australian Equity Fund charges a management fee of 0.80% per annum of Net Asset Value (NAV), with no performance, establishment, contribution, withdrawal, exit or switching fees. A buy-sell spread of 0.20% applies to applications and withdrawals. All fees are quoted inclusive of GST and net of input tax credits.

The costs are incurred to maintain operational integrity and investor protection. Schroders also uses external tools and platforms like Aladdin for compliance and risk monitoring, which contribute to these costs.

The PDS highlights that even small differences in fees can significantly impact long-term returns, and encourages investors to compare fees using the ASIC MoneySmart managed funds fee calculator. Overall, fees support a robust, transparent, and disciplined investment process aimed at delivering consistent long-term value.

Research IP Opinion:

The fees charged by the Fund are justified by the scale, depth and sophistication of the investment process. A key driver is the **breadth of research coverage**, with direct analysis of all ASX 200 companies plus many additional names. This requires a large, highly experienced team supported by standardised modelling frameworks, daily research discussions and substantial data-gathering capability, including a dedicated data scientist and quantitative analyst.

The Fund is managed by a highly tenured investment team, with senior portfolio managers and analysts averaging 25 years of experience and 14 years with the firm. Fees reflect the cost of retaining and incentivising these specialists, including Schroders’ deferred bonus structure, which aligns staff interests with long-term investor outcomes.

The strategy relies on a **bespoke valuation framework**, proprietary portfolio optimiser, and internally developed systems such as Equity Vis, all of which require ongoing investment in technology, process enhancement and data infrastructure. Integrated ESG analysis, systematic red-flag testing and rigorous risk controls also contribute to the cost of delivering a disciplined and repeatable approach.

Operationally, the Fund benefits from Schroders’ extensive **global trading, compliance and risk management platforms**, including Aladdin. These systems enable pre- and post-trade compliance, liquidity management, tax-aware execution and portfolio transparency, reducing operational risk for investors.

Taken together, the fees reflect the cost of maintaining a high-quality, research-intensive, risk-controlled investment capability designed to deliver long-term, fundamentally driven performance rather than relying on passive, momentum or benchmark-tracking approaches.

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.

Compared with peers, Schroders' fee justification is more closely tied to the **scale and structure of its research process**, including full-universe coverage, proprietary modelling tools and integrated data science, which many competitors lack. While other active managers often emphasise performance history or high-conviction stock picking, Schroders highlights **process investment, technology and risk systems** as the basis for fees. Overall, its rationale is more **infrastructure- and process-driven**, whereas peers more commonly rely on brand strength, star-manager expertise or concentrated portfolio claims.

Describe the governance processes for managing organisational and investment decisions.

Manager Statement:

Schroders maintains a robust governance framework for both organisational and investment decision-making. As Responsible Entity, Schroder Investment Management Australia Limited oversees fund operations, investment objectives, and compliance. Key governance bodies include the Portfolio Construction Committee (PCC), which is responsible for setting investment strategy, and the Dealing Desk, which executes trades—demonstrating a clear separation of duties. Portfolio managers are responsible for model management and trading decisions, while traders execute orders, and independent compliance teams monitor adherence to mandates and compliance rules.

The investment team operates with clear separation of duties: analysts focus on research and valuation, while portfolio managers are responsible for portfolio construction and risk management. This structure ensures checks and balances across the investment process.

Pre- and post-trade compliance is managed through the Aladdin platform, which provides real-time monitoring of investment guidelines, risk exposures, and mandate constraints. Pre-trade checks prevent breaches before execution, while post-trade reviews ensure ongoing compliance and identify any anomalies.

Organisationally, Schroders is supported by a global compliance and risk infrastructure, with local oversight in Australia. Custody and fund administration are outsourced to JPMorgan, ensuring further segregation of duties and operational independence. The firm also maintains a formal complaints process and adheres to regulatory obligations under its AFSL. This governance model supports transparency, accountability, and investor protection, while enabling the investment team to focus on delivering long-term value through disciplined, research-driven decision-making.

In summary, Schroders' governance framework ensures strong internal controls, independent oversight, and a clear division of responsibilities, significantly reducing operational risk and supporting effective organisational compliance.

Research IP Opinion:

The manager demonstrates robust governance, reflected in a tightly structured and transparent investment process. Research is governed by disciplined protocols: analysts must circulate notes ahead of meetings, peers are required to submit written questions 24 hours in advance, and each stock discussion concludes with documented Q&A and a formal team poll on valuation, risk and conviction. This structure ensures that all analysts contribute, it mitigates dominance by senior voices, and creates an auditable decision trail — all hallmarks of strong investment governance.

Portfolio construction is equally well governed. All three PMs independently submit trade ideas before each meeting, preventing anchoring and reducing behavioural bias. Decisions are made collectively using their proprietary Equity Vis system, which integrates research, model inputs, version control, valuations, risk scores and order generation. This provides consistency, oversight and full transparency for every investment decision, significantly reducing operational risk.

The team also displays strong organisational discipline and clarity of responsibilities. Analysts maintain ownership of models, PMs make the final allocation decisions, and support roles (Barry, Andre) ensure systems integrity and data quality. Trading is executed through centralised, well-controlled processes in Singapore, further strengthening operational governance. There is clear separation of duties between analyst, fund manager, trading and investment compliance.

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351). Copyright: Research IP Pty Ltd.

While Blackrock's Aladdin is considered a best-in-class global investment management system, it has limitations. The team's design and use of their own proprietary system demonstrates their continued investment in the process to achieve superior outcomes, while Aladdin is used for compliance oversight and performance reporting.

Overall, the manager demonstrates high-quality governance, strong internal controls and a rigorous, repeatable investment decision-making framework. The depth of process, transparency of decision-making and alignment of incentives all indicate a well-run, well-governed investment capability.

Describe how the Manager implements ESG, Corporate Sustainability policies and engagement.

Manager Statement:

Schroders integrates ESG into its investment process through a structured, research-driven approach. ESG factors—such as climate risk, governance, and labour standards—are considered alongside financial metrics when assessing investments. The Fund applies Schroders' ESG-integrated framework, which includes proprietary research and adherence to the firm's Exclusions Policy. This policy excludes certain sectors (e.g. tobacco, cluster munitions) and is publicly available [here](#).

While ESG is not the primary objective of the Fund, it is embedded in the valuation and risk assessment process. Schroders does not market the Fund as an ESG product, nor does it apply strict positive or negative screens beyond the exclusions. Instead, ESG risks and opportunities are evaluated as part of the broader investment thesis.

Schroders has made commitments to a number of sustainability-related platforms and initiatives. Examples of our public commitments to date include being a signatory to the UN Principles of Responsible Investment (UN PRI), a signatory to the UN Global Compact (UNGC) and a member of the Net Zero Asset Managers (NZAM) initiative, reflecting its commitment to responsible investing. The specific UNPRI rating is not disclosed in the PDS, but Schroders globally reports annually on its ESG practices. ESG engagement is active, with Schroders meeting company management to discuss sustainability practices and influence positive change. Third-party data may supplement internal ESG analysis.

Research IP Opinion:

Schroders applies ESG through a fully integrated, valuation-driven process rather than external screens or standalone scores. Analysts incorporate environmental, social and governance factors directly into cashflow forecasts, business risk scores and valuation multiples. This includes adjustments for carbon costs, regulatory risk in banks, social harm in sectors such as gambling, and governance quality. ESG inputs also influence position sizing, with greater uncertainty reducing portfolio weight.

The team views corporate sustainability as essential to long-term value creation. Rather than excluding carbon-intensive companies, Schroders prefers to hold and engage with them to support transition, believing this delivers better long-term outcomes. ESG considerations are embedded in fundamental research through assessments of business sustainability, governance, capital allocation, industry risks and mid-cycle environmental exposures.

Global exclusion policies apply, including thermal coal revenue thresholds, and bans on cluster munitions, nuclear weapons and tobacco. (Note: BHP can be held as its revenue from thermal coal is minimal, although it does generate roughly 20% of EBITDA from higher quality metallurgical (coking) coal.) Engagement is central: Schroders meets regularly with company management and boards, feeding insights into modelling and risk assessments. Its active voting stance—casting 100% of votes, with 15–20% against management—reinforces accountability.

Compared with peers, Schroders' ESG approach is more valuation-integrated, financially grounded and engagement-led, with fewer screens and greater emphasis on long-term shareholder value.

How does the ownership of the Manager and the compensation of the investment team align with the investors' interests?

Manager Statement:

Schroder Investment Management Australia is a wholly owned subsidiary of UK-listed Schroders plc, a global asset manager with over 200 years of history. This ownership structure provides long-term stability and aligns the business with institutional-grade governance and investor interests.

The investment team's compensation is structured to promote alignment with client outcomes. Key staff participate in Schroders' bonus and equity share plans, with deferred components subject to 3–5 year lock-ins. A significant portion of deferred bonuses is invested directly into the Schroder Equity Opportunities Fund, ensuring managers have skin in the game and are incentivised to deliver long-term performance.

The broader incentive framework includes short-term performance metrics, medium-term business results, and long-term equity participation. Analysts have specific, measurable objectives, and the total remuneration pool is tied to the performance of the Australian Equities business, reinforcing team-based success.

This structure discourages short-termism and promotes accountability, collaboration, and retention. Schroders also supports career development and succession planning, ensuring continuity and depth of expertise. The firm's global reach and local autonomy allow the Australian team to operate with independence while benefiting from global resources and oversight. This alignment of ownership, incentives, and investment philosophy supports consistent delivery of value to investors.

Research IP Opinion:

Schroders' ownership and remuneration framework is designed to create strong alignment between the Australian Equity team and investors. As a long-established, publicly listed global manager, Schroders provides stability, governance and oversight, while allowing the local team to operate with a boutique-style level of autonomy. This structure supports consistency of process, reduces key-person risk and promotes long-term continuity.

Compensation is deliberately structured around long-term outcomes. Base salaries are set around industry medians, with incentives focused on sustainable performance rather than short-term results. A meaningful portion of bonuses for senior investment staff is deferred over three to five years and invested directly into the Schroder Equity Opportunities Fund. This ensures team members share in the same outcomes as clients and are financially exposed to the long-term consequences of their decisions. Incentives are linked to the performance of the overall Australian Equities business, not individual stock calls, reinforcing teamwork, shared accountability and process discipline.

Schroders avoids a star-manager model, reducing behavioural bias and encouraging collaborative decision-making. Staff also participate in broader firm-wide equity schemes, further aligning interests with clients and shareholders. Compared with peers, Schroders' mandatory co-investment via deferred bonuses, team-based incentives and combination of global scale with local autonomy result in a more robust and durable alignment with investor interests.

Comment on assets under management, fund flow and capacity.

Manager Statement:

As of 30 June 2025, Schroders' Australian Equities strategies—including Core and Opportunities—manage approximately **\$10.75 billion** in total funds under management (FUM), representing around **0.4% of the total market capitalisation**. The firm has set a **soft close limit at 0.50%**, with a hard ceiling of **0.55%**, to preserve capacity and maintain investment flexibility.

The strategy has expanded to include **SMAs and discretionary accounts**, managing over **\$603.8 million** across high-net-worth and family office clients. This suggests continued growth and diversification of the client base.

The Australian Equities team manages a **narrow suite of products**, including the Wholesale Australian Equity Fund, Schroder Equity Opportunities Fund, and SMA portfolios. The team structure is designed to avoid complexity and maintain focus, with shared accountability across portfolio managers.

Capacity is actively monitored, and constraints are applied to ensure liquidity and diversification. The fund's relatively low turnover and benchmark-aware structure support scalability, but the team is cautious about exceeding capacity thresholds to protect performance integrity. Overall, the strategy remains well within its capacity limits, with disciplined growth and product oversight.

Research IP Opinion:

Schroders' Australian Equities capability is a large and well-established platform across its Core, Opportunities and SMA strategies. The expansion into SMAs and the continued investment in systems, data science and portfolio construction infrastructure suggest **steady, sustainable business** rather than volatile shifts in demand.

Capacity is further managed through robust liquidity and position-size controls, including strict limits on the proportion of outstanding equity the Funds can hold—**10% soft and 12.5% hard**. These guardrails ensure that portfolios remain scalable and liquid, even when investing in smaller or off-benchmark names. Like many “core” active managers, Schroders has faced the industry challenge in the institutional space of consolidation and internalisation and the broader trend towards passive investing, however the team has maintained a number of long term institutional clients and has a well diversified business across institutional and retail clients.

Overall, Schroders demonstrates a clear and disciplined approach to capacity management. Its current FUM level remains well within sustainable limits, and the processes in place—liquidity screening, maximum holding thresholds, and economic diversification—support the ongoing ability to deploy capital effectively without diluting returns or compromising the integrity of the investment process.

Compared with peers, Schroders' Australian equity funds sit comfortably within capacity, with **FUM well below internal limits**, whereas some competitors run far closer to their liquidity and scalability constraints. Its explicit soft-close threshold (0.50% of market cap) and strict stock-ownership limits make its capacity management **more transparent and conservative** than many peers. The team's broad-universe, diversified approach also scales better than highly concentrated or small-cap-heavy strategies that face earlier capacity pressure.

It is important to note that the SMA strategy has more of a concentrated growth bias (suited for a specific market segment) and while using the same research inputs will deliver different portfolio outcomes to this strategy.

About Research IP

Research IP has provided client focused qualitative and quantitative financial product and security research since 2015. Research IP was also the consultant to the NZX wholly owned subsidiary FundSource, providing investment research to the New Zealand market since 2015.

Research IP is a specialist investment research provider which is used and trusted by investors financial advisers for investment, KiwiSaver, Superannuation and other Pension schemes throughout the Asia Pacific region.

Research IP has grown its team and footprint by utilising the specialist skills of its analysts which include;

- ❖ data scientists,
- ❖ equity, bond and alternative asset specialists
- ❖ portfolio managers
- ❖ asset allocation analysts
- ❖ and ratings specialists.

Our experience has been gained in well over 20 years of roles across different facets of the industry, so we understand the key drivers and challenges for managers, as well as the impact for investors and the Financial Advice industry.

By leveraging the skills of specialists, Research IP is able to provide innovative and tailored financial services solutions to the marketplace. Client focused outcomes are underpinned by the belief that the role of business model innovation and accelerating technological change opens up new possibilities, to put client interests at the centre of the financial services industry focus. We have strong philosophical alignment with John Hagel's work on the possibilities for "Disruption by Trusted Advisors" and John Kay's views in "Other People's Money: Masters of the Universe or Servants of the People".

Research IP delivers high quality quantitative and qualitative fund research to financial advisers and the broader financial services industry. Research IP works with a number of expert providers to source this data. Quantitative data is supplied by a variety of sources, including directly from the Fund Manager, while qualitative research is provided by Research IP.

Find all Qualitative Research announcements and subscribe for updates here:

<https://research-ip.com/news>

Contact:

www.Research-IP.com

Email: info@research-ip.com

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351). Copyright: Research IP Pty Ltd.

Disclaimers, Disclosures and Warnings

RESEARCH IP STRONGLY RECOMMENDS THIS DOCUMENT BE READ IN CONJUNCTION WITH THE RELEVANT PRODUCT DISCLOSURE STATEMENT OR INFORMATION MEMORANDUM.

IMPORTANT NOTICE: This document is published by Research IP Pty Ltd (Research IP) (ABN 81 602 947 562), a Corporate Authorised Representative (1246684) of AUSTRALIAN WEALTH HOLDINGS PTY LTD (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is also a registered Financial Services Provider (FSP) in New Zealand (710351). Please read the following before making any investment decision about any financial product mentioned in this document.

Disclosure at the date of publication: Research IP may have received a fee from the fund manager or product issuer(s) for researching the financial product(s) set out in this document, using objective criteria. Research IP may also receive a fee from the fund manager or product issuer(s) for subscribing to research content and other Research IP services. Research IP's fee is not linked to the rating(s) outcome. Research IP and/or its representatives and/or their associates may hold the product(s) referred to in this document, but details of these holdings may not be known to the Analyst(s). Research IP considers such holdings not to be sufficiently material to compromise the rating.

Disclosure of Investment Consulting services: Research IP may receive fees for providing investment consulting services to clients, which includes constructing model portfolios and approved product lists. Research IP may also receive fees from a fund manager or product issuer for consulting services. The investment consulting services are carried out under separate arrangements and processes to the research process adopted for the review of this financial product. Policies are available on request.

Warnings: This report does not constitute a recommendation to purchase, redeem or sell the relevant financial product(s). Before making an investment decision based on the rating(s), the reader must consider whether it is personally appropriate in light of his or her financial circumstances or should seek financial advice on its appropriateness. If the information in this report leads to the acquisition or possible acquisition of particular financial product(s), the reader should obtain and consider the Product Disclosure Statement, Information Memorandum, or Prospectus for each financial product before making any decision about whether to acquire a financial product. Research IP's research process relies upon the participation of the fund manager or product issuer(s). Should the fund manager or product issuer(s) no longer be an active participant in Research IP's research process, Research IP reserves the right to withdraw the document at any time and discontinue future coverage of the financial product(s). The rating in this publication relates to the fund outlined which may have related funds or be associated with other funds and platforms. The rating may only be applied to the fund outlined in this publication at first instance and whether it applies to related or associated funds and platforms should be investigated by your financial adviser before you make an investment decision in relation to the related or associated funds and platforms. You should be aware that the mandate, fees, underlying investments, the issuers of the related and associated funds and platforms may be different from the fund specified in this publication. You should satisfy yourself that the related and associated funds and platforms meet your financial circumstances, needs and objectives before making an investment decision.

Disclaimer: This document is for the exclusive use of the person to whom it is provided by Research IP and must not be used or relied upon by any other person. No representation, warranty or undertaking is given or made in relation to the accuracy or completeness of the information presented in this document, which is drawn from public information and third party sources, including fund managers, and is not necessarily verified by Research IP. Financial conclusions, ratings and advice are reasonably held at the time of completion but subject to change without notice. Research IP assumes no obligation to update this document following publication. Except for any liability which cannot be excluded, Research IP, its Directors, officers, employees and agents disclaim all liability for any error or inaccuracy in, misstatement or omission from, this document or any loss or damage suffered by the reader or any other person as a consequence of relying upon it.

Copyright ©2025: This report is subject to copyright of Research IP. Except for the temporary copy held in a computer's cache and a single permanent copy for your personal reference or other than as permitted under the Copyright Act 1968 (Cth). No part of this report may, in any form or by any means (electronic, mechanical, micro copying, photocopying, recording or otherwise), can be reproduced, stored or transmitted without the prior written permission of Research IP. This report may also contain third party supplied material that is subject to copyright. Any such material is the intellectual property of that third party or its content providers. The same restrictions applying above to Research IP copyrighted material, applies to such third party content.

Analyst Disclosure and Certification: Analyst remuneration is not linked to the research or rating outcome. Analyst holdings may change during the life of this document. The Analyst(s) certify that the views expressed in this document accurately reflect their professional opinion about the matters and financial product(s) to which this document refers.

For Australian investors and advisers:

Past performance is not a reliable indicator of future performance. Any express or implied rating or advice presented in this document is limited to "General Advice" (as defined in the Corporations Act 2001(Cth)) and based solely on consideration of the investment merits of the financial product(s) alone, without taking into account the investment objectives, financial situation and particular needs ('financial circumstances') of any particular person.

For New Zealand investors and advisers:

Past performance is not a reliable indicator of future performance. Any information, opinions, views or recommendations in this report are 'regulated financial advice' under New Zealand law. Our publications, ratings products and services should be viewed as an additional investment resource, not as your sole source of information. Before making any decision to acquire a particular financial product, you should obtain and carefully consider the relevant product disclosure statement. This report should not be relied upon as a substitute for advice from your financial adviser.

We recommend you obtain appropriate financial, legal and taxation advice before making any financial investment decision.

© Research IP Pty Ltd 2025 – v2.0

We strongly recommend that potential investors read the Product Disclosure Statement or Information Memorandum. This information must be read in conjunction with the warning, disclaimer, and disclosure at the end of this document. This report supersedes all prior reports and is considered valid for 12 months from the date of issue. This information is not personal financial advice and should not be relied upon as a substitute for detailed advice from your financial adviser. Research IP Pty Ltd (ABN 81 602 947 562) Corporate Authorised Representative (1246684) of Australian Wealth Holdings Pty Ltd (ABN 72 608 528 427), Australian Financial Services Licence (481674). Research IP is a registered Financial Services Provider (FSP) in New Zealand (710351).
Copyright: Research IP Pty Ltd.