## A process that aligns with our philosophy



"We invest in undervalued companies where we think market participants have become too pessimistic"

## PROCESS DRIVEN BY DEEP FUNDAMENTAL RESEARCH

- Long term, mid-cycle perspective Sustainable - Quality context – industry & competitive advantage Free-Cash-Flow - Management, culture and ESG **Valuation** Range - Identification of market concerns & ESG issues Market - Evidence market overly pessimistic Misperception - Upside far outweighs downside scenario Conviction **Scores** Risk, liquidity & Model other constraints **Portfolio** Peer Research Review agenda **Proactive, formal** engagement to improve ESG and **Portfolio** investment outcomes

<sup>&</sup>quot;Free-Cash-Flow" defined as operating cash flow before interest minus capital expenditure plus value of franking credits. "Valuation Range" calculated as capitalised value of "Sustainable Free-Cash-Flow" adjusted for long term growth and risk minus net debt under a range of scenarios

