

MACQUARIE ASSET MANAGEMENT

# Polaris Global Equity Fund

Macquarie Professional Series

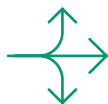
**Seeking to uncover the world's most undervalued companies**

Polaris takes a global all-cap approach to investing, seeking to find undervalued companies in unlikely places.



**Proven value investors**

One of the longest standing value strategies in the market



**Clear and disciplined approach**

A strong focus on sustainable free cash flows



**Genuinely differentiated portfolio**

Built from an all-cap, all-country approach

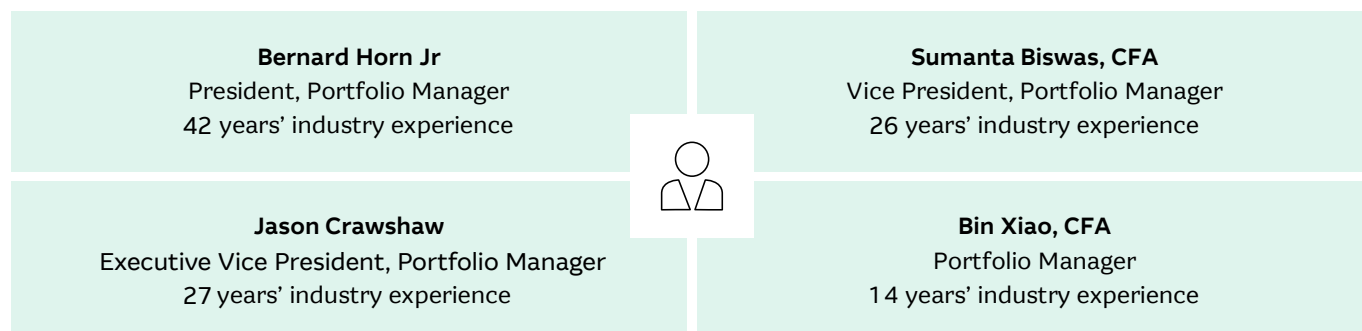
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## Proven value investors

Polaris has one of the longest standing value strategies available in the market and a close-knit, experienced team who are dedicated to traditional value investing. With their diverse backgrounds, each member of the Polaris team brings a unique perspective and this helps them better identify and understand opportunities.

Market cycles come and go, but Polaris' ongoing, thorough research into companies continues to unwaveringly seek out value opportunities that others may miss.



## Clear and disciplined approach

Polaris believes global equity markets are generally efficient in the long run, however investor behaviour in the short term creates volatility that can lead to pricing inefficiencies.

During these periods, a company's stock price may not reflect its long-term fundamental value, and may represent buying opportunities for a value investor.

### What is 'value investing'?

'Value investing' is a style of investing that favours buying stocks at a discount to their fundamental or intrinsic value. This approach dates back to the 1930's when academics found it could generate an attractive long-term return. While a relatively simple concept, successful value investing requires skill and discipline.

### Polaris' approach to valuing a company

Polaris believes cashflow is the key indicator of a company's value. Cash is a simple and transparent measure of returns, and is less influenced by the different accounting methods companies use.

Polaris values companies by determining how they generate cash, and the likelihood it will continue in the future. Cashflows are discounted using Polaris' Global Cost of Equity calculation - a high hurdle rate aimed at avoiding negative surprises or value traps, positioning the portfolio for outperformance.

## Polaris' Global Cost of Equity calculation



Long-term equity market return (7%)



Active management premium (2%)



Country risk premium (% varies - minimum 1%)



Polaris Global Cost of Equity (high hurdle rate)

Source: Polaris.

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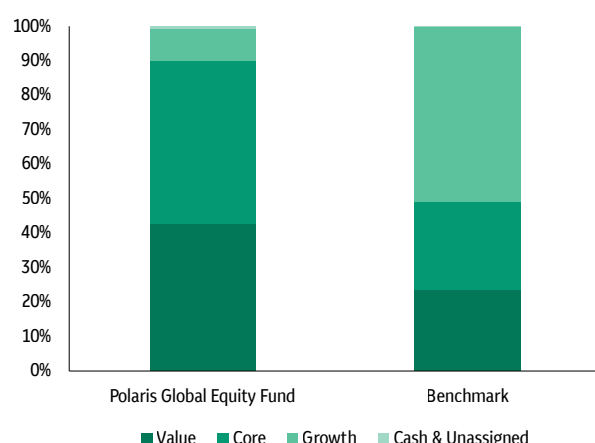
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## Genuinely differentiated portfolio

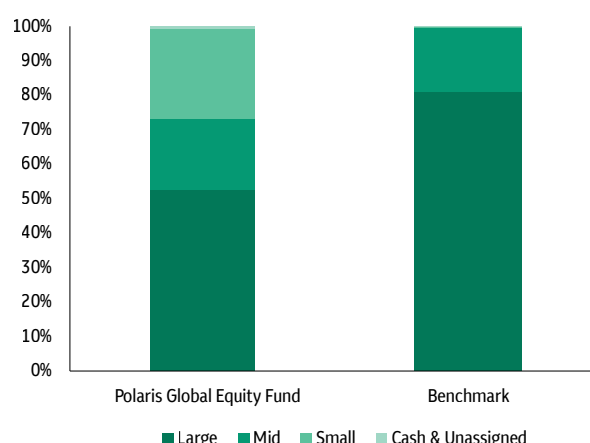
The Fund takes an all-cap, all-country approach to investing, searching the globe to uncover some of the world's most undervalued companies. The investment team conducts their own fundamental, bottom-up research as they believe careful stock selection results in true-to-label value investing.

Using a benchmark agnostic, proprietary approach that emphasises sustainable inflation-adjusted cashflows, Polaris has the flexibility to uncover the best value opportunities or 'hidden gems', regardless of country, industry or company size. Consequently, the positioning in the Fund differs to that of the Benchmark (MSCI World ex Australia Index in \$A unhedged with net dividends reinvested). With freedom to uncover and capitalise on opportunities overlooked by the Benchmark and typical growth managers, the Fund may complement more traditional holdings in clients' portfolios.

### Portfolio comparison by style



### Portfolio comparison by size



Source: FactSet, MSCI, as at 30 June 2025. Benchmark is the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested. Future positions may vary.

## About Polaris

For nearly 30 years, Boston-based specialist global equity manager, Polaris Capital Management, LLC (**Polaris**), has applied its own brand of value investing. Their experienced team comes from diverse backgrounds which helps them to better identify and understand opportunities throughout the world.



### Macquarie Professional Series – enabling local access to global specialists

The Polaris Global Equity Fund is proudly brought to you by Macquarie Professional Series. We search the world to uncover differentiated investment solutions, enabling local investors to access strategies from world-class fund managers. We leverage our insights into the local investment landscape, seeking to anticipate investment needs and identify relevant opportunities currently overlooked in the market.

## Target investors

The Fund is designed for consumers who:

- are seeking capital growth and income distribution
- are intending to use the Fund as a core component, minor allocation or satellite allocation within a portfolio
- have a minimum investment timeframe of seven years
- have a high or very high risk/return profile for that portion of their investment portfolio, and
- require the ability to have access to capital within one week of request.

The Target Market Determination (TMD), available at [macquarie.com/mam/tmd](https://www.macquarie.com/mam/tmd), includes a description of the class of consumers for whom the Fund is likely to be consistent with their objectives, financial situation and needs.

## Risks

All investments carry risk. Different investments carry different levels of risk, depending on the investment strategy and the underlying assets. Generally, the higher the potential return of an investment, the greater the risk (including the potential for loss and unit price variability over the short term). The risks of investing in this Fund include:

**Investment risk:** The Fund has exposure to share markets. The risk of an investment in the Fund is higher than an investment in a typical bank account or fixed income investment. Amounts distributed to unitholders may fluctuate, as may the Fund's unit price, by material amounts over short periods.

**Market risk:** The investments that the Fund has exposure to are likely to have a broad correlation with share markets in general. Share markets can be volatile and have the potential to fall by large amounts over short periods of time. Poor performance or losses in domestic and/or global share markets are likely to negatively impact the overall performance of the Fund.

**International and emerging market risk:** The Fund has exposure to a range of international economies, including emerging economies. Global and country specific macroeconomic factors may impact the investments that the Fund has exposure to. Governments may intervene in markets, industries, and companies; may alter tax and legal regimes; and may act to prevent or limit the repatriation of foreign capital. Emerging markets may experience lower liquidity (including as a result of securities or bond markets being closed for extended periods), potential for political unrest leading to recession or war, greater potential for sanctions to be imposed on the country or its citizens, companies or institutions, increased likelihood of sovereign intervention (including default and currency intervention), currency volatility, and increased legal risk.

**More information on the risks of investing in the Fund is contained in the Product Disclosure Statement, which should be considered before deciding to invest in the Fund.**

For more information, call us on 1800 814 523,  
email [mam.clientservice@macquarie.com](mailto:mam.clientservice@macquarie.com), or visit [macquarie.com/mam](http://macquarie.com/mam)

## Important information

The Fund(s) mentioned above may have multiple classes of units on issue. A separate class of units is not a separate managed investment scheme.

This information has been prepared by Macquarie Investment Management Australia Limited (ABN 55 092 552 611 AFSL 238321) the issuer and responsible entity of the Fund(s) referred to above. This is general information only and does not take account of investment objectives, financial situation or needs of any person and before acting on this information, you should consider whether this information is appropriate for you. In deciding whether to acquire or continue to hold an investment in a Fund, an investor should consider the product disclosure statement for the relevant class of units in a Fund, if any, and the Website Disclosure Information available at [macquarie.com/mam](http://macquarie.com/mam) or by contacting us on 1800 814 523.

Past performance information is for illustrative purposes only and is not a reliable indicator of future performance. Current performance information for each class of units in the Fund(s) is available on our website at [macquarie.com/mam/au-performance](http://macquarie.com/mam/au-performance).

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