Indian Subcontinent All Cap Strategy

Stewart Investors

About Stewart Investors

We are an active, long-only equity investment business with stewardship and sustainability at the heart of our investment philosophy and culture since 1988. As a team, we have been managing explicit sustainability portfolios since 2005.

Investment aim

To generate long-term, risk-adjusted returns for our clients by investing in the shares of high-quality companies that are particularly well positioned to contribute to, and benefit from, sustainable development.

Key facts*

Strategy launch	15 November 2006
Strategy size	AUD 903 million
Lead portfolio manager	Jack Nelson
Investment team	13 analysts
Number of companies	30-60 (current 34)
Active share	91%
Name turnover (10 years)	15%
Investment horizon	5+ years
Market capitalisation	All market capitalisations
Comparator benchmark	MSCI India Index
Country exposure	Companies whose primary listing, incorporation or majority economic activity is in India, Pakistan, Sri Lanka and Bangladesh. No minimum restrictions.
Industry exposure	Any GICS Sector (first level) must not exceed 50%, with the exception of the Consumer Discretionary and Consumer Staples sectors (where the combined exposure should not exceed 50%). No minimum restrictions.

Investment philosophy

- **Long term:** We take a long-term approach, aiming to invest with a minimum ten-year horizon from the point we make an investment.
- **Positive absolute returns:** For us, investment risk means protecting our clients' money from permanent loss due to negative returns, rather than how we compare to benchmarks (relative returns).
- **Bottom-up investing:** On behalf of our clients, we invest in shares of real companies based on their individual strengths, rather than relying on benchmarks or market trends (top-down investing).
- **Sustainability:** We believe companies delivering positive sustainability outcomes drive investment returns and reduce investment risk.
- **Quality:** We believe the quality of people, franchise and financials drives long-term returns and reduces risk.

*Source: Stewart Investors as at 30 September 2025. Data shown for a representative Stewart Investors Indian Subcontinent All Cap account. Key facts parameters shown are guidelines only and not hard risk limits.

What we mean by sustainability

Our process is deeply qualitative, based on fundamental, bottom-up research and analysis of the sustainability positioning of companies. We meet regularly with management teams, conduct site visits, and commission third-party research. Our assessment of company sustainability focuses on:

1. Sustainability positioning of products and services
2. Quality of management and treatment of all stakeholders
3. Operational performance and environmental and social impacts
4. Ability to navigate sustainability headwinds and tailwinds, such as changing regulations and consumer trends

Exclusions

We have a detailed exclusions policy explaining the sectors and sorts of companies we will never invest in.

Engagement

We invest time and energy in engaging and encouraging companies to improve their sustainability practices and product offerings.

Voting

We do not outsource voting decisions or any part of the engagement process; this is a core part of our role.

Visit our website to view our position on harmful and controversial products and services, and our climate change statement.

Top 10 holdings - high conviction

We have a bottom-up approach and aim to invest only in well-stewarded, high-quality companies with sustainability at the heart of all investment considerations. Our portfolios are high conviction (top 10 holdings typically 30%-50%) and are completely benchmark agnostic.

Company	Country	Sector	Portfolio (%)	Index (%)
Tube Investments of India Limited	India	Consumer Discretionary	7.6	0.3
Mahindra & Mahindra	India	Consumer Discretionary	7.5	2.4
HDFC Bank	India	Financials	6.3	8.2
Triveni Turbine Ltd.	India	Industrials	5.7	0.0
Cholamandalam Financial Holdings	India	Financials	4.8	0.0
Marico Limited	India	Consumer Staples	4.7	0.3
ELGI Equipments Limited	India	Industrials	4.4	0.0
Baraj Holdings & Investment Limited	India	Financials	4.2	0.2
CarTrade Tech Ltd.	India	Consumer Discretionary	3.6	0.0
Blue Dart Express Limited	India	Industrials	3.4	0.0
			52.2	**11.4**

Source: Stewart Investors at 30 September 2025. Data shown is for a representative Stewart Investors Indian Subcontinent All Cap account and the MSCI India Index. This information is provided for illustrative purposes to demonstrate Stewart Investors' activity within the strategy for the period shown. It is not a recommendation or solicitation to purchase or invest in any fund. Differences between the representative account-specific constraints and those of a similarly managed fund or mandate would affect results. Numbers may not add to totals due to rounding. References to specific securities should not be construed as investment advice to buy or sell the same.

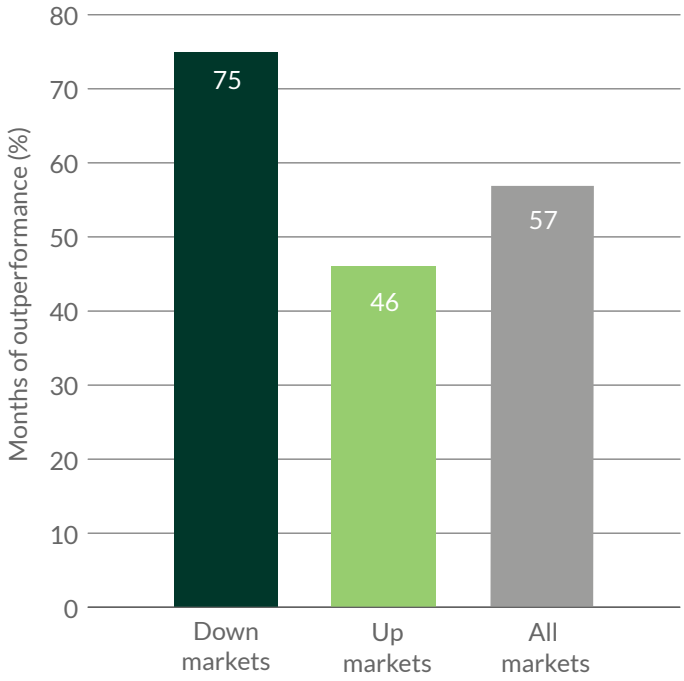
Performance objective – capital protection and growth

Our investment philosophy focuses on delivering strong absolute returns over cycles. This focus means that we define risk as the loss of clients' capital rather than in terms of deviation from any benchmark index. As a result, our performance is likely to lag steeply rising markets, but deliver better results in falling markets. We believe this approach has served clients well over time and over cycles.

Performance over periods AUD - Composite performance gross of fees - % p.a	Since launch	10 years	7 years	5 years	3 years	1 year	6 months	3 months
Stewart Investors Indian Subcontinent	17.3	10.5	11.9	14.7	5.2	-17.7	-7.1	-11.7
MSCI India Index (gross)	11.8	10.2	12.1	15.8	10.3	-6.9	-3.7	-7.7
Relative (arithmetic)	5.5	0.3	-0.2	-1.1	-5.1	-10.8	-3.4	-4.0

Investment style - downside protection

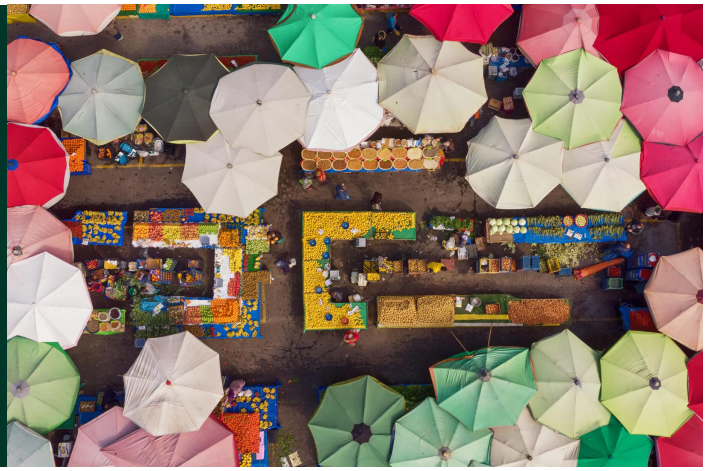
Composite outperformance since launch (AUD gross of fees)



Past performance is not a reliable indicator of future results. Investments in funds that make up the Composite may produce different performance returns to the Composite returns.

Source for composite performance: Stewart Investors as at 30 September 2025. Composite performance data is calculated on a total return basis and gross of tax. Performance figures do not reflect the deduction of investment fees and expenses. A client's return will be reduced by the effect of investment fees and expenses. If a client placed AUD100,000 under management and a hypothetical gross return of 10% was achieved, the investment assets before the effect of fees and expenses would have grown to AUD259,374 in 10 years. However, if fees and expenses to the value of 1% were incurred, investment assets would have grown to AUD234,573, or an annual compounded rate of 8.9%. Source for MSCI India Index: FactSet, total returns, gross of tax. Outperformance shown versus the MSCI India Index. Since launch performance calculated from 15 November 2006..

Our Portfolio Explorer tool allows you to explore strategies, companies, countries and sustainability issues of interest in four views – map, Sustainable Development Goals, climate solutions and human development pillars.



For more information please contact:

Kate Machin

Email: kate.machin@stewartinvestors.com

Phone: 0429 528 840

Or visit our website stewartinvestors.com

Important information

This material has been prepared and issued by First Sentier Investors (Australia) IM Ltd (ABN 89 114 194 311, AFSL 289017) (FSI AIM), which forms part of First Sentier Investors, a global asset management business. First Sentier Investors is ultimately owned by Mitsubishi UFJ Financial Group, Inc (MUFG), a global financial group. References to "we" or "us" are references to First Sentier Investors. Some of our investment teams use the trading names FSSA Investment Managers, Stewart Investors, Albacore Capital, Igneo Infrastructure Partners and RQI Investors.

This material is directed at persons who are wholesale clients and is not intended for persons who are retail clients. Any advice in this material is general advice only. It does not take into account your objectives, financial situation or needs. Before making an investment decision you should consider, with a financial advisor, whether this information is appropriate in light of your investment needs, objectives and financial situation.

Any opinions expressed in this material are the opinions of the individual author at the time of publication only and are subject to change without notice. Such opinions: (i) are not a recommendation to hold, purchase or sell a particular financial product; (ii) may not include all of the information needed to make an investment decision in relation to such a financial product; and (iii) may substantially differ from other individual authors within First Sentier Investors.

We have taken reasonable care to ensure that this material is accurate, current, complete and fit for its intended purpose and audience as at the date of publication. No assurance is given or liability accepted regarding the accuracy, validity or completeness of this material and we do not undertake to update it in future if circumstances change. No part of this material may be reproduced or transmitted in any form or by any means without the prior written consent of FSI AIM.

Any performance information is gross of management fees and net of transaction costs. No allowance has been made for taxation. Past performance is not indicative of future performance.

Copyright © First Sentier Investors, 2025

All rights reserved.