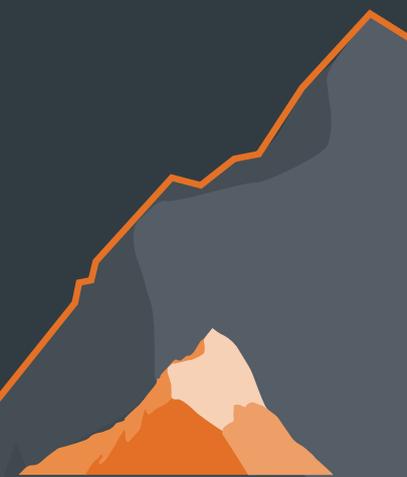


Investment Process



MILFORD

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The what, how and why of our fundamental investment process.

What: We believe a fund's investment objective should focus on maximising the upside of strong markets and minimising downside risk of weak markets through a full market cycle.

How: Our proven investment process leverages our strengths by combining top-down macro insights with bottom-up fundamental research.

Why: The consistent and disciplined application of such a research process is what underpins the repeatability of Milford's historically strong investment performance.

The benefit of active management is having a team of highly motivated investment professionals working in this systematic way to identify opportunities the market has missed.

The Milford investment process explained

How we decide where to invest: Idea generation

The Milford investment team are engaged in constant ongoing evaluation of new information and its potential to influence the outlook for macroeconomic conditions and industry dynamics. We focus on forecasting critical turning points and identifying attractive investment themes not yet recognised the market. Sectors and individual securities captured by Milford's Exclusion List are screened out at this stage in the investment process.

How we understand the key drivers: Economic and Investment Analysis

Our team conduct detailed, fundamental analysis to understand the key drivers of business profitability. Changing competitive and industry dynamics are monitored through a demanding schedule of meetings with listed companies, their competitors, customers, regulators and suppliers. Through rigorous peer review, we challenge ourselves and one another to find the best investment opportunities within an asset class, mindful of our expectations for economies and markets.

How we ensure ongoing delivery: Portfolio management

Portfolio Managers are then responsible for the final selection of securities to include within a portfolio, taking into account the return objectives and risk appetite of their investors. Portfolio positions are assessed every day for price movements, new information and updated investment views.

To find out more about how we work, talk to one of our investment team today.

This guide has been prepared by Milford Australia Pty Ltd ABN 65 169 262 971 (AFSL 461253) as investment manager for the Milford Australia Investment Funds. Please read the Milford Product Disclosure Statement at milfordasset.com.au. You should not rely on any information in the Guide in making any investment decision. It is for general information only and does not take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. Past performance is not a guarantee of future performance.