

Pengana Axiom International Fund (Hedged)

Rating issued on 27 Nov 2025 | APIR: HHA0002AU

Investment objective

To outperform the MSCI All Country World Total Return Index \$A (Hedged) (after fees) over rolling three to five-year periods. Internally, Axiom aims to outperform the benchmark by 2% to 4% (before fees) over the same time frame.

Manager	Axiom Investors
Distributor	Pengana Capital Group
Sector	International Shares \ Global (Hedged)
Investment Style	Fundamental
Equity Style	Growth
RI Classification	Integrated
Responsible Investment	Yes
Absolute Risk	High
Relative Risk	Active - Benchmark Unaware
Investment Timeframe	7+ Years
Zenith Benchmark	MSCI World Ex Aust \$A (Hgd)
Min Investment Amount	\$10,000
Redemption Frequency	Daily
Income Distribution	Half Yearly
Fund Size (31 Oct 2025)	\$49.92M
Management Cost	1.35% p.a. Incl. GST
Performance Fee	N/A
Buy / Sell Spread	0.25% / 0.25%
Inception Date	29 Nov 2001

Viewpoint

The Fund, managed by Axiom Investors (Axiom) and distributed by Pengana Capital Limited (Pengana), provides investors with a socially responsible, currency-hedged, growth-biased and benchmark-unaware exposure to international equities. Zenith's conviction in the Fund is underpinned by Axiom's experienced investment team and its successful track record managing the strategy, which dates back to 2004.

Axiom is a Greenwich-based funds management firm established in 1998 by Andrew Jacobson. Axiom is 100% owned by 26 of its employees and offers a range of equity products.

The investment team of 28 involved with the strategy is led by Jacobson, who is also co-portfolio manager of the Fund. However, Bradley Amoils is the lead portfolio manager and has ultimate responsibility for the Fund. Amoils has been the lead portfolio manager for Axiom's global equity strategy since its inception, having joined Axiom in 2002. Research responsibilities within the team are allocated according to global sector lines. Zenith believes the team is highly experienced and sufficiently resourced to successfully manage the strategy.

Axiom believes that the broader market typically underestimates the impact growth catalysts will have on long-term financial performance. As such, the team seeks to identify inflection points in a company's operations that are likely to impact company earnings forecasts over the medium term. In addition to the analysis of these forward-looking indicators, an assessment of each company's sustainable earnings growth characteristics and its absolute and relative valuation is blended to derive a company-level return rating. Analysts also generate a risk rating, which includes an assessment of the company's industry position, leverage, quality of management and market sensitivity. Zenith believes Axiom's stock selection is well structured and ensures the investment team is aware of key earnings catalysts.

In constructing the portfolio, Amoils leverages an internal portfolio construction framework that combines the company-level return and risk ratings derived by the investment team. Companies that offer the most attractive returns with the lowest corresponding risks are allocated the highest weights in the Fund. Amoils will use the framework's position weights as a guide in setting the final portfolio, ideally seeking a portfolio with diversified drivers of returns. Overall, Zenith believes the portfolio construction framework ensures that the investment team's best ideas are represented in the Fund.

Zenith notes that Axiom was appointed as investment manager of the Fund in May 2021, with the track record prior to this date attributable to another investment manager who applied a different strategy.

Fund facts

- Holds between 40 and 70 positions
- Currency hedged
- Portfolio turnover is expected to average 50% p.a. over a market cycle



Fund analysis

Fund characteristics

Constraint	Value
Number of Stocks	40 to 70
Absolute Stock Weight	Max: 8%
Active Stock Weight	1.5x benchmark weight
Absolute Sector Weight	Max: 40% (50% for information technology)
Absolute Country Weight	Max: 30% (0.5x to 1.5x benchmark weight for US)
Absolute Emerging Market Exposure	Max: 25%
Cash	Max: 5%

Investment objective and philosophy

The Fund's investment objective is to outperform the MSCI All Country World Total Return Index \$A (Hedged) (after fees) over rolling three to five-year periods. Internally, Axiom aims to outperform the benchmark by 2% to 4% (before fees) over the same time frame.

Axiom believes that the broader market typically underestimates the impact growth catalysts have on long-term financial performance. As such, the team seeks to identify inflection points in a company's operations that are likely to impact company earnings forecasts over the medium term. Axiom is afforded the flexibility to invest across the market capitalisation spectrum, as well as across developed and emerging markets.

Zenith believes Axiom employs a sound investment philosophy.

Portfolio applications

In general, compared to most other asset classes, equities offer investors the opportunity for higher capital growth over the longer term with some income. However, this higher growth is also often associated with higher volatility. International equities provide investors with broad exposure to industries and countries. With such a broad universe, it is expected that managers can deliver superior returns to more conservative asset classes. However, the expectation of greater returns comes with increased volatility, especially when currency movements are considered. Therefore, it is recommended that investors adopt a longer time frame when investing in international equities. It is also recommended that investments in international equities are blended with domestic equities and other asset classes such as fixed income to improve portfolio diversification.

Given Axiom's growth-biased investment approach, Zenith would expect it to perform better in rising market environments. To achieve a more diversified exposure to the global equities sector, Zenith believes the Fund would be best used in combination with other neutral or value-styled global equity products.

The Fund can hold up to 25% exposure to emerging markets securities. Zenith notes that since its inception, the strategy has had an average exposure to emerging markets of 10%. Although

we believe this feature provides the Fund with flexibility in achieving its investment objectives, investors should be aware of this when blending the Fund with dedicated emerging markets funds.

Zenith believes the Fund may appeal to investors seeking a more socially responsible international shares offering. Zenith notes that the sustainable/ethical sector comprises a number of funds that range in their interpretation of screening (both negative and positive) and their assessment of socially responsible investment issues. Zenith believes investors should familiarise themselves with a manager's responsible investment policy before investing.

The Fund's portfolio turnover is expected to average 50% p.a. over a market cycle, which Zenith considers to be moderate. Axiom has indicated that approximately 50% of the expected turnover is attributed to resizing existing positions and approximately 50% is due to complete sales and new additions. Given this expected level of turnover, the Fund's returns are expected to be delivered via both capital appreciation in the unit price and the realisation of capital gains in income distributions. In addition, realised capital gains are likely to be eligible for the capital gains tax discount. As such, holding all else equal, this could be beneficial for investors on higher marginal tax rates, although the Fund may be more appealing to investors who are nil/low tax rate payers or high marginal tax rate payers who invest through tax-effective vehicles such as a superannuation fund.

Fund responsible investment attributes

Key Information	Description
Zenith RI classification*	Integrated
Has Responsible Investment Policy	Yes
Negative screens**	Full/Partial
Alcohol	Partial
Armaments	Partial
Fossil fuels	Partial
Gaming	Partial
Adult Entertainment	Partial
Tobacco	Partial
Nuclear Power	Partial
Human rights abuse	Partial
Animal cruelty	Partial
Environmental Degradation	Partial
Other Measures	Controversial Weapons (Full), Genetically Modified Organisms (Partial), Mining (Partial), Palm Oil Production (Partial)
PRI Status	
PRI Signatory	Yes



*Zenith RI Classification scale:

- Traditional
- Aware
- Integrated
- Thematic
- Impact

***Data has been supplied by third parties. While such information is believed to be accurate, we do not accept responsibility for any inaccuracy in such data.*



Absolute performance

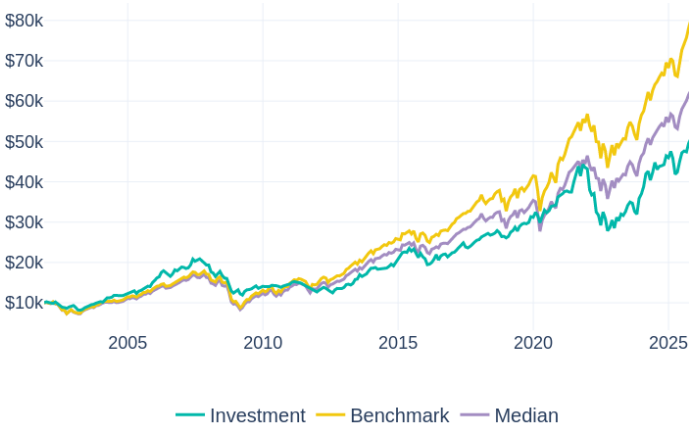
Performance as at 31 Oct 2025

Monthly performance history (% , net of fees)

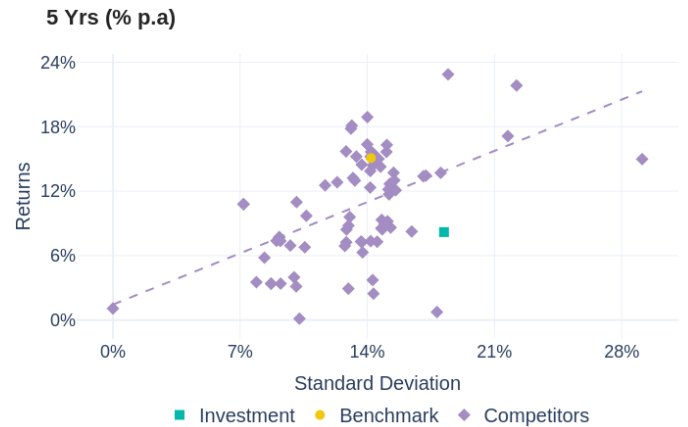
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	BM YTD*
2025	3.43%	-3.64%	-8.61%	1.20%	6.32%	4.72%	0.94%	-0.43%	4.59%	2.19%			10.23%	17.66%
2024	5.07%	8.02%	1.57%	-5.19%	4.72%	5.87%	-3.87%	1.83%	0.33%	0.59%	4.91%	-0.96%	24.36%	20.66%
2023	9.28%	-2.65%	5.44%	-1.05%	3.01%	4.74%	2.39%	-0.76%	-5.92%	-2.13%	12.29%	3.02%	29.60%	21.40%
2022	-12.05%	-3.34%	0.99%	-12.35%	-2.46%	-7.82%	11.26%	-4.99%	-9.87%	2.94%	6.31%	-6.40%	-33.97%	-18.06%
2021	1.22%	1.42%	0.38%	-0.73%	0.00%	6.44%	5.42%	4.36%	-5.50%	6.87%	-1.65%	-0.82%	18.00%	23.88%

*MSCI World ex Aust \$A (Hgd)

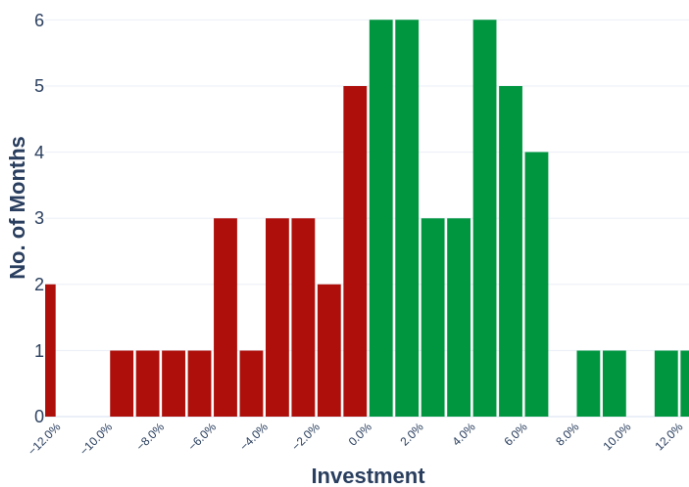
Growth of \$10,000



Risk / return



Monthly histogram



Minimum and maximum returns (% p.a.)





Absolute performance analysis

Instrument	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Investment	14.52%	20.91%	8.19%	8.56%	7.02%
Income	-0.00%	-0.00%	0.87%	0.44%	1.37%
Growth	14.52%	20.91%	7.32%	8.13%	5.65%
Benchmark	21.07%	19.88%	15.09%	11.48%	9.10%
Median	16.71%	18.16%	13.39%	10.05%	7.98%
Cash	4.11%	4.07%	2.58%	2.09%	3.63%

Ranking within sector (p.a.)

Ranking within Sector	1 Yr	2 Yrs	3 Yrs	5 Yrs
Fund Ranking	44 / 76	22 / 67	12 / 61	47 / 54
Quartile	3rd	2nd	1st	4th

Absolute risk

Instrument	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Standard Deviation (% p.a.)					
Investment	14.03%	15.79%	18.22%	14.61%	12.92%
Benchmark	10.45%	11.23%	14.20%	13.87%	14.23%
Median	9.94%	10.88%	13.60%	13.29%	13.88%
Downside Deviation (% p.a.)					
Investment	9.41%	8.56%	12.27%	9.79%	8.66%
Benchmark	5.48%	5.66%	8.48%	9.18%	9.93%
Median	5.42%	5.44%	8.10%	8.87%	9.79%

Absolute risk/return ratios

Instrument	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Sharpe Ratio (p.a.)					
Investment	0.74	1.07	0.31	0.44	0.26
Benchmark	1.62	1.41	0.88	0.68	0.38
Median	1.27	1.30	0.80	0.60	0.31
Sortino Ratio (p.a.)					
Investment	1.11	1.97	0.46	0.66	0.39
Benchmark	3.09	2.79	1.47	1.02	0.55
Median	2.33	2.59	1.33	0.90	0.44

Zenith notes that Axiom was appointed as investment manager of the Fund in May 2021, with the track record prior to this date attributable to another investment manager who applied a different strategy.

For consistency purposes, Zenith benchmarks all products categorised within our International Shares - Global (Hedged) sub-asset class against the MSCI World ex Aust \$A (Hgd). Accordingly, all performance and risk measurements are calculated with Zenith's assigned index. However, Axiom measures the Fund against the MSCI All Country World Total Return Index \$A (Hedged).

All commentary below is at 31 October 2025.

The Fund's investment objective is to outperform the MSCI All Country World Total Return Index \$A (Hedged) (after fees) over rolling three to five-year periods. Internally, Axiom aims to outperform the benchmark by 2% to 4% (before fees) over the same time frame.

Axiom has not achieved the Fund's investment objective since it assumed portfolio management responsibility.

The Fund's volatility (as measured by Standard Deviation) has been materially greater than the benchmark since the portfolio management change.

The Fund's Sharpe ratio has been lower than the benchmark since Axiom assumed portfolio management responsibility, which indicates that investors have been insufficiently compensated for its risk.

Investors should be aware that Axiom does not target a specific level of income returns, with distributions made semi-annually where possible.



Relative performance

Excess returns

Statistic	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Excess Return	-6.54%	1.03%	-6.90%	-2.91%	-2.08%
Monthly Excess (All Mkts)	41.67%	50.00%	41.67%	43.33%	44.60%
Monthly Excess (Up Mkts)	37.50%	50.00%	44.74%	39.02%	36.70%
Monthly Excess (Down Mkts)	50.00%	50.00%	36.36%	52.63%	59.60%

Capture ratios (% p.a.)

Statistic	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Downside Capture	146.88%	114.69%	130.37%	85.45%	65.51%
Upside Capture	94.37%	108.36%	93.84%	80.83%	69.43%

Tracking error (% p.a.)

Instrument	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Investment	5.67%	7.53%	9.09%	9.64%	10.70%
Median	1.23%	1.15%	1.42%	1.33%	1.01%

Information ratio

Instrument	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Investment	-1.15	0.14	-0.76	-0.30	-0.19
Median	-3.53	-1.50	-1.20	-1.07	-1.12

Beta statistics

Statistic	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Beta	1.25	1.26	1.12	0.81	0.63
R-Squared	0.87	0.81	0.76	0.60	0.48
Correlation	0.93	0.90	0.87	0.77	0.69

All commentary below is as at 31 October 2025.

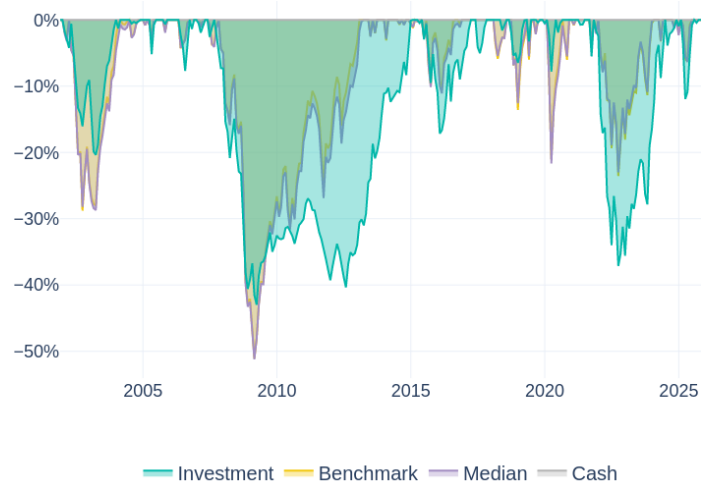
Zenith seeks to identify strategies that can outperform in over 50% of months in all market conditions, as we believe this represents consistency of manager skill. In addition, we view a strategy's ability to produce stronger upside capture ratios relative to downside capture ratios as an attractive feature.

The Fund has not achieved either outcome since Axiom assumed portfolio management responsibility.

The Fund has exhibited stronger outperformance consistency in rising markets relative to declining markets over the same period, which is consistent with Axiom's growth focus.

Drawdown analysis (since inception)

Drawdown analysis assesses the relative riskiness of a Fund versus the benchmark, in reference to capital preservation. The maximum Drawdown is recorded as the percentage decline in the value of a portfolio from peak to trough (before a new peak is achieved). All Drawdown analysis is calculated commencing from the inception date of the Fund in question, and Drawdown analysis for the Fund and benchmark(s) are calculated independently. That is, the largest drawdown for the Fund and benchmark(s) will not always refer to the same time period.



All commentary below is at 31 October 2025.

Since Axiom assumed portfolio management responsibility, the Fund has experienced a larger drawdowns than the benchmark. Whilst Zenith is disappointed with this outcome, we note that Axiom's benchmark-unaware and growth-biased approach often leads to significant performance divergence relative to the benchmark.



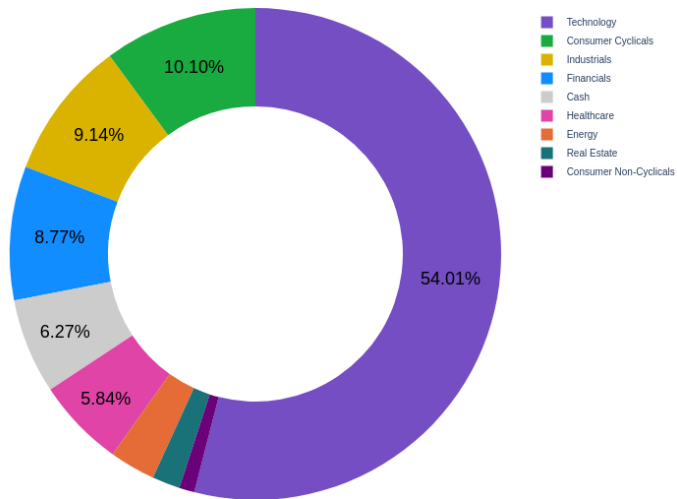
Product exposures

Holdings as at 30 Sep 2025

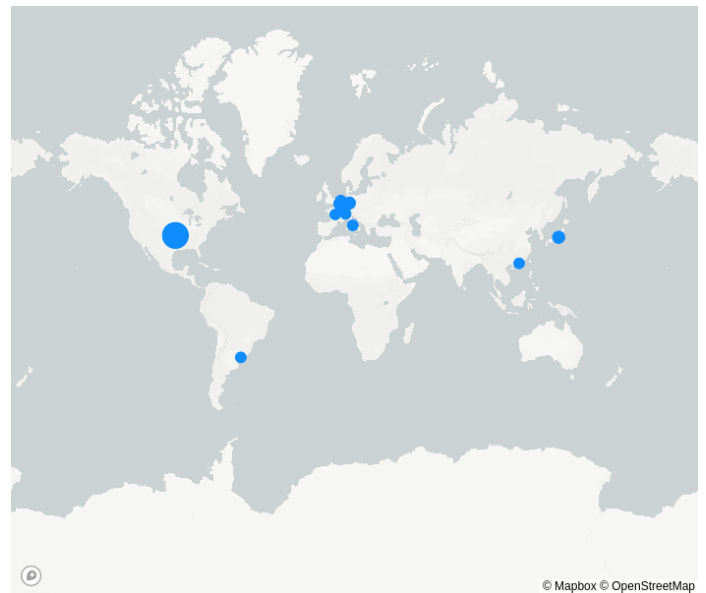
Top 10 holdings

Stock	Weight	Country	Sector	Active Exposure
NVIDIA CORP.	7.94%	United States	Technology	2.27%
MICROSOFT CORP.	7.38%	United States	Technology	2.82%
META PLATFORMS INCO.	5.30%	United States	Technology	3.32%
NETFLIX INCO.	5.09%	United States	Technology	4.46%
AMAZON.COM INCO.	4.84%	United States	Consumer Cyclical	2.22%
ORACLE CORP.	3.57%	United States	Technology	2.98%
MORGAN STANLEY	3.32%	United States	Financials	3.08%
ALPHABET INCO.	3.20%	United States	Technology	-0.05%
BROADCOM PTE LTD.	3.03%	United States	Technology	1.19%
SIEMENS ENERGY AG	3.03%	Germany	Energy	2.93%
Total	46.70%			

Equity sector exposure



Equity country exposure





Fund commentary

Fund risks

Zenith has identified the following key risks of the Fund. Although Zenith believes the risks noted are all significant, we have listed them in order of importance. In addition, we have not intended to highlight all possible risks.

Key person risk: As with most fund managers, Axiom is subject to a level of key person risk. Whilst Zenith notes that this risk is partly mitigated by the size and experience of the investment team, we believe the departure of Andrew Jacobson or Bradley Amoils would have a material impact on the Fund, warranting an immediate review of its rating. However, we note that Jacobson and Amoils have equity stakes in Axiom, which partially mitigates the risk of their departure over the medium term.

Longevity risk: Funds that fail to grow funds under management (FUM) to a scalable level could be wound up and terminated by the manager or Responsible Entity. The risks associated around a fund wind up are principally that of timing, forcing a crystallisation of tax consequences to investors, which may be unsuitable. As at 31 October 2025, FUM in the Fund was approximately \$A 50 million. Zenith will continue to monitor the Fund's level of retail traction.

Capacity risk: Excessive levels of FUM can materially hinder the ability of a manager to meet its performance objectives. Axiom defines the strategy's capacity as the ability to trade 90% of its portfolio within 20 business days, which is greater than \$US 50 billion, as at 31 October 2025.

As at the same date, Axiom manages approximately \$US 6.4 billion in its global equities strategy. Although Zenith believes capacity is not currently an issue for the strategy, we will continue to monitor FUM levels to ensure performance is not impeded.

Focus risk: In addition to the Fund, Jacobson and Amoils have responsibilities for other Axiom strategies. Whilst Zenith acknowledges that there is some overlap with these strategies, we believe the additional portfolio management responsibilities have the potential to dilute their focus.

Emerging market risk: The Fund is permitted to hold up to 25% in emerging market companies. While exposure to emerging markets has the potential to enhance returns and improve diversification, it can also be a source of added volatility and may be detrimental to the preservation of capital.

Derivatives risk: Whilst rarely used, the Fund can use various derivatives including options and futures and these investment securities can be volatile, speculative, illiquid and leveraged.

Regulatory risk: All investments are exposed to the risk of changes to government policies, regulations and laws. Although Zenith is comfortable with Axiom's investment strategy and process, we note regulation of sustainable or ethical products is an evolving space and there have been significant developments in relation to disclosure standards for sustainability-related products.

Security/asset selection

The Fund's investment universe comprises all globally listed stocks.

Companies are excluded from the Fund if they are involved in business practices deemed by Axiom to be inconsistent with responsible investment practices. It should be noted that definitions of involvement may vary according to the type and extent of exposure.

To reduce the investment universe to a more manageable size, Axiom employs a quantitative filter that removes companies with the following characteristics:

- Market capitalisations lower than \$US 250 million (\$US 1 billion for emerging market companies)
- Covered by less than three sell-side brokers
- Average daily trading volume less than \$US 1 million (\$US 5 million for emerging market companies)

A fundamental screen is then applied, seeking to identify favourable historic metrics from income statements and balance sheets. The screens reduce the investment universe to approximately 600 companies, which are subject to detailed fundamental research.

Axiom seeks to derive a return rating for each company, which considers a company's earnings profile, performance tailwinds and valuation.

Growth in a company's earnings is the primary driver of the company's return rating. Analysts assess the fundamental drivers of a company's operation, seeking those that have historically displayed earnings growth and have the potential for positive earnings revisions in the future. Specifically, the team seeks to identify inflection points in a company's operations that are likely to impact company earnings forecasts over the medium term.

Analysts also consider the sustainability of growth with consideration given to a company's historic return on equity, free cash flow yield and balance sheet strength.

The final element of the return rating is an assessment of valuation, with analysts assessing a company's absolute valuation, valuation relative to its history and industry-relative valuation.

Axiom has a thorough company visitation schedule, with analysts required to meet with portfolio holdings at least annually. On average, the team conducts approximately 750 meetings with companies, customers and suppliers each year.

The team leverages a proprietary data mapping system that acts as a central repository for information on leading operational data points. The system allows teams to flag material events and developments and assign them to companies, industries, or regions that may be directly impacted. The team regularly reviews the system to determine the materiality of these flags and whether there are implications on their fundamental assessment.

At the conclusion of the return assessment, each company is assigned a rating of 0 to 3, with 3 representing those companies with the largest positive dispersion between Axiom's assessment of operating fundamentals and market expectations. This rating identifies companies most likely to produce returns in excess of consensus estimates over the medium term.



Analysts also derive risk ratings for each company, which include an assessment of the company's industry position, leverage, quality of management and market sensitivity. Companies are assigned a risk rating of A to E, with companies assigned A ratings believed to offer the least risk.

Zenith believes Axiom's stock-selection process is well structured and ensures the investment team is aware of key earnings catalysts.

Responsible investment approach

Axiom has an established Environmental, Social and Governance (ESG) Policy, last updated in May 2025, that guides its investment decisions.

In addition to the Fund's ESG screens, Axiom considers ESG factors throughout its fundamental research process. ESG risks are considered in a company's return rating when assessing the sustainability of a company's earnings growth and in the risk rating during the consideration of structural factors. Axiom may engage with company management should it be uncomfortable with a company's approach to an ESG risk.

Zenith believes that this qualitative analysis of a company's operations is crucial on a forward basis, given that a company's performance with regard to ESG considerations is increasingly being reflected in its share price. Overall, Zenith is comfortable with Axiom's approach to ESG.

Portfolio construction

The portfolio is constructed in a benchmark-unaware manner. Whilst Amails has ultimate decision-making authority, portfolio management support is provided by Jacobson and David Schneider.

In constructing the portfolio, Amails leverages an internal portfolio construction framework that combines the company-level return and risk ratings derived by the investment team. Whilst Amails seeks to construct a portfolio comprised of companies offering the best risk and return ratings, consideration is placed on maintaining diversified sources of returns.

Companies that offer the strongest return and risk ratings are typically assigned larger weights, with positions limited to the greater of an 8% absolute weight or a relative weight 1.5x the benchmark.

The Fund is expected to hold between 40 and 70 stocks, while exposure to emerging markets is limited to 25%. Zenith notes that the strategy has historically averaged a 10% exposure to emerging markets.

Cash exposure is expected to range between 1% and 5%. Zenith endorses Axiom's approach to cash management, as we believe actively managed funds should be fully invested and that allocations to cash should be maintained at a minimum.

Sell decisions are determined under the following circumstances:

- The expected growth rate of a company has deteriorated
- The company has appreciated to a level where the growth has been priced in by the market
- A stronger investment candidate has been identified

The Fund's currency exposure is hedged back to Australian dollars. The currency overlay hedges the Fund's largest currency exposures and is rebalanced monthly or when the Fund's overall currency exposure exceeds its +/- 5% tolerance. The process is managed by ANZ via the use of one-month currency swaps.

Portfolio turnover is expected to average 50% p.a. over a market cycle, which Zenith considers to be moderate.

Overall, Zenith believes the portfolio-construction framework ensures that the investment team's best ideas are represented in the Fund.

Risk management

Whilst the Fund is managed to broad sector, country and emerging market constraints, Zenith believes that risk management is embedded throughout the investment process. While Zenith typically prefers tighter constraints, we are comforted by Axiom's successful long-term track record managing the strategy.

Axiom employs Bloomberg PORT as a quantitative risk management tool, allowing the portfolio managers to conduct stress testing, value at risk analysis, and highlight industry risk factors, sector allocations, style risks and stock risks.

Overall, Zenith believes Axiom's risk management approach is adequate, with the quantitative risk management tools used ensuring the portfolio managers remain aware of all intended and unintended risks. However, investors should be aware there is significant reliance on the skill of the team in managing risk.

Investment fees

	Fund	Sector Average
Total Fees and Costs (RG 97)	1.85% p.a.	0.89% p.a.
Management Fees and Costs	1.35% p.a.	0.78% p.a.
Transaction Costs	0.50% p.a.	0.04% p.a.
Performance fees as at 30 Jun 2024	0.00%	0.09%
Performance fees description	N/A	
Management Cost	1.35% p.a.	0.80% p.a.
Buy / Sell spread	0.25% / 0.25%	0.15% / 0.14%

All fees and costs are inclusive of GST unless indicated otherwise. The Performance Fee shown is the performance fee disclosed in the PDS. It is calculated by taking the average performance fees charged over the last five financial years (or less if the investment or performance fee mechanism has not been in place for five financial years).

The sector average management cost is based on the average management cost of all flagship International Shares - Global (Hedged) products surveyed by Zenith.

Overall, Zenith believes the Fund's fee structure is expensive, relative to peers, given its stated objectives. In addition, we believe that investors have been insufficiently compensated by way of risk-adjusted performance given the fees paid over the past three years (ending 30 June 2025).

The fees mentioned above are reflective of the flagship version only and may differ when the product is accessed through an alternative investment vehicle such as a platform.



About the fund manager

Organisation

Axiom is a Greenwich-based funds management firm established in September 1998 by Andrew Jacobson. Axiom is 100% owned by 26 of its employees, with Jacobson holding the majority stake. Axiom offers a range of global equity products including emerging markets and global small cap strategies.

As at 31 October 2025, Axiom managed approximately \$A 30.2 billion firmwide.

The Fund is offered in Australia by Pengana Capital Limited (Pengana). Pengana is an Australian funds management boutique founded in 2003. Pengana is headquartered in Sydney, with offices in Melbourne and Brisbane. Pengana’s goal is to find and support experienced fund managers with long track records. Pengana provides staff and support for its fund managers, leaving the investment staff responsible for the management of its funds.

In June 2017, Pengana completed a merger with Hunter Hall International Limited (ASX:HHL). As a result, HHL was renamed Pengana Capital Group Limited (ASX:PCG). The combined entity offers a diversified range of equity-based strategies totalling \$A 3.8 billion in funds under management, as at 31 October 2025.

Zenith has a favourable view of the arrangement between Axiom and Pengana, believing that it pairs a high-quality investment manager with a distribution partner that has a strong footprint in the domestic market.

As at the same date, Axiom managed approximately \$US 6.4 billion in its global equities strategy, of which approximately \$A 50 million was in the Fund.

Investment personnel

Name	Title	Industry Experience (yrs)	Tenure (yrs)	Location
Andrew Jacobson	CEO, CIO & Co-Portfolio Manager	38	27	Greenwich, United States
Bradley Amoils	Lead Co-Portfolio Manager	35	24	Greenwich, United States
David Schneider	Co-Portfolio Manager	21	18	Greenwich, United States

Axiom's investment team of 28 is led by Andrew Jacobson. Prior to establishing Axiom, Jacobson worked at Columbus Circle where he developed their international equities capabilities. In addition to this strategy, Jacobson has portfolio management responsibilities for a number of Axiom’s investment strategies.

The Fund's lead portfolio manager is Bradley Amoils, who had portfolio management responsibilities at American Century prior to joining Axiom. Similar to Jacobson and consistent with Axiom's multi-portfolio manager approach, Amoils has portfolio management responsibilities for other Axiom strategies. However, Zenith notes that this is the only strategy that he is the lead portfolio manager.

In March 2025, David Schneider was promoted to co-portfolio manager of the Fund. Schneider was previously a senior associate at Price Waterhouse Coopers until he joined Axiom as an analyst in 2007.

Zenith considers Jacobson and Amoils to be experienced investors who have the appropriate expertise to successfully manage the strategy. In addition, we draw comfort from Amoils' long affiliation with the strategy, having been involved since its inception in 2004. Although we seek to build confidence in Schneider's portfolio management capabilities, we draw comfort from Amoils' continued involvement as lead portfolio manager.

Research responsibilities within the team are allocated according to global sector lines. The research process is overseen by Jonathan Ellis, who joined Axiom in September 2011 and has over 26 years of investment industry experience. Zenith believes the sector specialist structure of the investment team facilitates greater levels of expertise and insight. In addition, we note that the global sector analysts are highly experienced, with an average industry experience of 25 years.

Further support is provided by four portfolio research analysts and five research associates who are dedicated to specific Axiom strategies. Zenith highlights that the team has demonstrated a strong level of stability.

The investment team is incentivised through a combination of base salary, profit share arrangement and the potential to participate in a discretionary bonus. Senior members of the team are incentivised by the performance of the strategies that they are involved with, which consider fund performance and funds under management. Zenith is comfortable with the remuneration structure, believing that it aligns the interests of the team with those of its investors.

Overall, Zenith believes the team is highly experienced and sufficiently resourced to successfully manage the strategy.

About the sector

Sector characteristics

International equities offer Australian investors the ability to access a broader opportunity set, with the potential to invest in segments not well represented in the Australian equity market. Given that international markets are not perfectly correlated with the Australian equity market, funds that invest internationally can provide diversification benefits to a portfolio.

The Zenith 'International Shares - Global (Hedged)' sector consists of long-only products that invest in global equity markets. The sector incorporates both benchmark-aware and benchmark-unaware strategies that focus predominantly on larger capitalisation stocks. The sector is one of the most competitive fields in the investment landscape, based on the number of managers and strategies available to investors.

Zenith benchmarks all products in this sector against the MSCI World ex-Australia Index (Hedged) (Index), which corresponds with the benchmark that most funds in the sector employ. The Index is market-capitalisation weighted, resulting in companies with the largest market capitalisations receiving the highest weightings. Zenith expects rated international equity funds to outperform the Index over the long term.



The Index consists of approximately 1,352 securities listed in 22 developed markets (Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States). As at 31 October 2024, the United States, Japan and United Kingdom represented a significant portion of the MSCI World ex-Australia Index, with each country accounting for 74%, 6% and 4% respectively. In addition, the top 10 stocks represented approximately 25% of the Index. Although the Index excludes emerging and frontier markets, many products retain mandate flexibility to invest in these markets.

Products in this sub-asset class hedge currencies where possible, resulting in their returns being predominantly unaffected by fluctuations in the Australian Dollar relative to other currencies.

Sector risks

Products within the 'International Shares - Global (Hedged)' sector are exposed to the following broad risks:

Market and economic risk: A sustained downturn across international equity markets is a risk to the absolute performance of products in the sub-asset class. Additionally, changes in economic, social, technological or political conditions, as well as market sentiment, could also lead to negative fund performance. Investors adhering to a fund's prescribed investment timeframe can significantly reduce this risk.

Australian dollar (AUD) currency risk: The AUD has historically experienced declines during weaker market environments, and appreciation in market upturns. A hedged global equities fund is likely to benefit relative to an unhedged fund in periods when the AUD appreciates. Conversely, an unhedged global equities fund is likely to benefit relative to hedged funds in periods where the AUD depreciates.

Zenith believes that the currency impact on performance will be minimal over the long term and therefore does not advocate retail investors making active currency decisions based on near-term currency predictions. For investors who are concerned about the short-term risks associated with taking fully unhedged or hedged currency positions, Zenith suggests blending hedged and unhedged global equity exposures to reduce short-term volatility.

Specific security risk: This is the risk associated with an individual security. The price of common shares in a company may be affected by unexpected changes in company operations, such as changes in management or the loss of a significant customer.

Liquidity risk: This is the risk that a security or asset cannot be traded promptly, due to insufficient trading volumes in equity markets. When trading volumes are low, buyers/sellers can significantly impact the price of a security when entering or exiting a position.

Style bias risk: International equity managers employ different investment styles such as Growth, Value or Neutral (a combination of Value and Growth). Each style is conducive to certain market conditions. Investors adhering to a fund's prescribed investment timeframe can significantly reduce this risk.

Capacity risk: High levels of funds under management (FUM) can present additional challenges to an equity manager. High

FUM has the potential to restrict a manager's ability to trade efficiently and/or be forced to disclose substantial shareholdings to the market (more common in smaller companies).

Regulatory Risk: All investments risk being affected by changes to government policies, regulations and laws. Security prices in which funds may have exposure are also subject to certain risks arising from government intervention across international equity markets. Such regulation or intervention could adversely affect fund performance.

Administration and operations

Responsible Entity	Pengana Capital Limited
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Zenith rating

Report certification

Date of issue: 27 Nov 2025

Role	Analyst	Title
Analyst	Ethan Spiegel	Senior Investment Analyst
Sector Lead	Quan Nguyen	Head of Equities

Association & relationship

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Rating history

As At	Rating
27 Nov 2025	Recommended
28 Nov 2024	Recommended
29 Nov 2023	Recommended
30 Nov 2022	Recommended
24 Nov 2021	Recommended
12 Aug 2021	Recommended
26 Apr 2021	Not Rated - Screened Out
25 Mar 2021	Redeem
25 Nov 2020	Recommended

Last 5 years only displayed. Longer histories available on request.



In March 2021, Zenith implemented a new ratings methodology for products classified as Traditional Index. Any rating issued from this date forward for Traditional Index products only reflect this change in methodology, with the relevant Traditional Index ratings being Index Approved, Index Recommended and Index Highly Recommended. Ratings issued for Traditional Index products prior to March 2021 are retained for historical purposes in line with our regulatory requirements and were issued in line with Zenith's Fund Research Methodology. Further information in relation to Zenith's Traditional Index Research Methodology and Traditional Index Ratings can be found on the Zenith website.



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This report refers to the Australian unit trust for the fund, and the fund and benchmark returns are all in AUD.

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