

**MACQUARIE ASSET MANAGEMENT**

# Walter Scott Global Equity Fund

Macquarie Professional Series

## Seeking exposure to quality global companies with strong growth characteristics

Walter Scott scours global markets to find what they believe are the world's best companies, capable of generating sustained wealth over the long term. Walter Scott's thorough research program and team-based approach ensure that only their best stock ideas make their way into the portfolio.



### A focus on quality growth

Through a long-term  
investment lens



### The power of many minds

Driving meticulous,  
proprietary research



### Strong long-term performance record

Built on a defensive  
investment approach

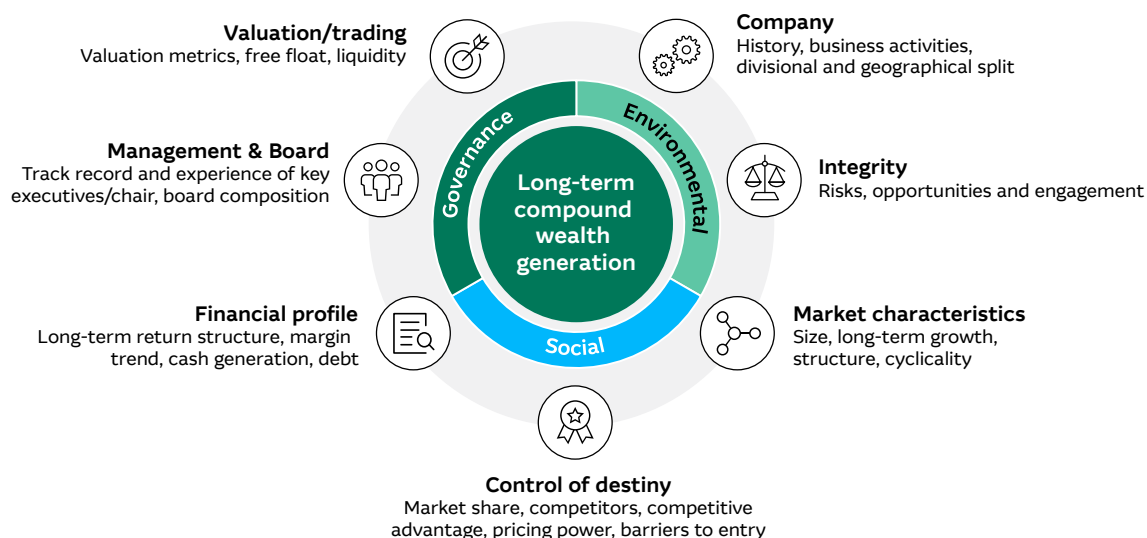
## A focus on quality growth

Walter Scott's investment approach is centred around finding high quality global companies with strong growth characteristics.

As fundamental, bottom-up stock pickers, the team focuses on companies they believe are **profitable**, have a sound ability to generate **cash**, and have **strong balance sheets** and **robust governance structures**. Stock characteristics such as these tend to shine out particularly during tough market conditions.

This bias towards growth and quality stocks is evidenced by the Fund's consistent overweight to growth and quality characteristics, compared to the Benchmark<sup>1</sup>.

## Seven areas of investigation



Source: Walter Scott.

<sup>1</sup> Benchmark is the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested.

## The power of many minds

In selecting companies, Walter Scott employs a low turnover, 'buy-and-hold' approach, which has remained unchanged since the firm was founded in 1983. Walter Scott believes that this approach is the best way of generating wealth for clients, as a long-term time horizon allows companies to realise their growth potential and compound shareholder returns.

This approach requires Walter Scott's experienced research team to understand whether a business is likely to be successful over the next five to ten years. To do this, the team travel globally to meet directly with company management, and to talk to suppliers, customers and employees to form a first-hand view of a company's potential for long-term success.

## The investment decision

Following the thorough research program, a team-based approach aims to ensure only the best stocks make their way into the Fund.



**Team-based discussion and debate**



**Unanimous decision for purchase, single dissenter for sale**



**Walter Scott Global Equity Fund**

A concentrated portfolio of 40-60 leading global companies

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## Strong long-term performance record

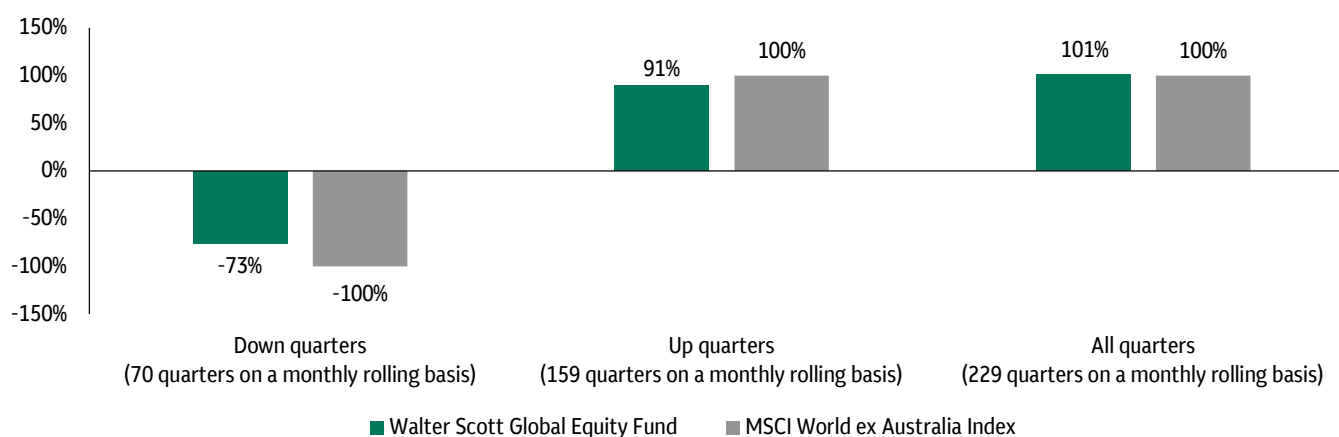
Walter Scott's focus on quality companies and their long-term investment approach has historically helped the Fund protect investor portfolios in periods when share markets have fallen.<sup>1</sup> This downside protection can be illustrated by examining the tougher market conditions that surrounded the Global Financial Crisis. During this time, while share markets fell by approximately **23% pa**, the Fund fell only by around **10% pa**.<sup>2</sup>

This downside protection is also illustrated below, where the three grey bars represent the aggregate return of the Benchmark in those periods when it rose, those when it fell, and in all periods, expressed as a base of 100. The chart shows that:

- in periods when the Benchmark has fallen, the Fund declined by only **73%** of the Benchmark's loss; and
- in periods when the Benchmark has risen, the Fund has captured **91%** of the Benchmark's gain.

In this way, the Fund provides investors with the potential for both strong performance in rising markets as well as considerable downside protection.

### Upside and downside capture in rolling 3-month periods for the Benchmark



**Past performance is not a reliable indicator of future performance.** Source: Macquarie and MSCI. Benchmark for the Fund is the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested. Capture ratios are based on the average return of the unquoted class of units in the Fund divided by average Benchmark return for separate periods where the Benchmark return was negative and positive. Returns used were rolling 3-month returns for the period 31 March 2005 to 30 June 2025, net of fees. The information above is presented for illustrative purposes only. The performance of the quoted class of units in the Fund may differ slightly from the performance of the unquoted class. Up to date performance information for the quoted and unquoted classes of units is available on our website at [macquarie.com/mam/au-performance](https://macquarie.com/mam/au-performance).<sup>1</sup> It is important to note that sharemarkets can be volatile, and have the potential to fall by large amounts over short periods of time.<sup>2</sup> Outperformance was the performance of the unquoted class of units in the Fund after fees, and considered over the period 31 May 2007 to 31 March 2009.

## About Walter Scott

Walter Scott & Partners Limited (**Walter Scott**) is a global investment manager established in 1983 in Edinburgh, Scotland. Walter Scott has a wealth of experience in global equity investing and is a classical, fundamental and long-term growth manager. The team takes an unconstrained approach to investing across geographies and sectors, seeking to identify companies capable of generating long-term wealth.

## Target investors

The Walter Scott Global Equity Fund and Macquarie Walter Scott Global Equity Active ETF (Managed Fund) are 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://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.

\*Sale proceeds, for units in exchange traded funds admitted to trading on the ASX, are normally available two ASX trading days after the sale date on the ASX.

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## Risks

All investments carry risk. Different investments carry different levels of risk, depending on the investment strategy and the underlying investments. 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 Statements for each class of units in the Fund, which should be considered before deciding to invest in the Fund.**

## Investing in the Fund

The Walter Scott Global Equity Fund has two classes of units;

1. **an unquoted class** (Walter Scott Global Equity Fund). Investors can apply for units in the unquoted class by sending an application form to Macquarie
2. **a quoted class** (Macquarie Walter Scott Global Equity Active ETF (Managed Fund)). Investors can buy units in the quoted unit class on the ASX using the ASX ticker: **MQWS**

There is a separate product disclosure statement for each class of units in the Fund, which should be considered before deciding to invest in the Fund. For more information, please visit [macquarie.com/mam/pds](https://macquarie.com/mam/pds)

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

### Important information

The Macquarie Walter Scott Global Equity Active ETF (Managed Fund) is a separate class of units in the Walter Scott Global Equity Fund (ARSN 112 828 136). 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](https://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](https://macquarie.com/mam/au-performance).

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