



Delft Partners Global High Conviction is a global listed equity strategy.

We select the best 30 stocks from the holdings in our diversified Global Equity strategy

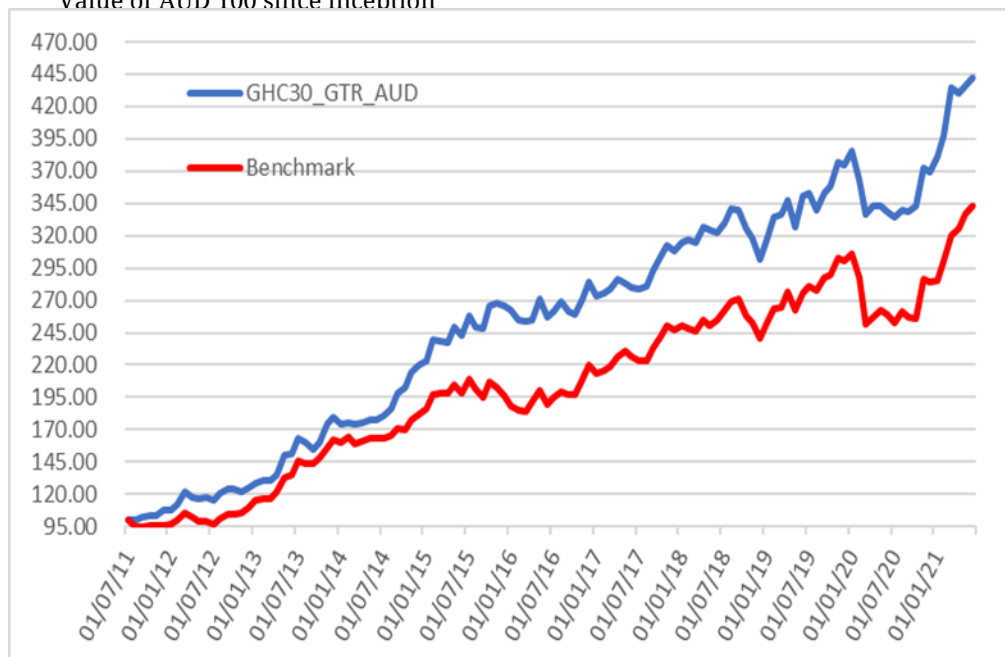
- We invest in all major markets and sectors to capture diversification benefits.
- Position sizes are based on risk and return estimates
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- We have a moderate value bias preferring to pay less for future earnings and dividends if we can identify a catalyst.

Benefits

- Capital appreciation and dividends from attractively valued stocks
- Consistent application of a proven investment process
- Above market and peer group performance

For additional information please visit www.delftpartners.com

Value of AUD 100 since inception



Periods ended 31 Jun 2021	1 Month	3 Months	1 Year	2 Years	Inception
Portfolio*	1.6%	1.8%	30.6%	12.4%	16.2%
Return vs. Bench-	-0.4%	-4.8%	-1.4%	0.8%	2.6%

*Portfolio total return net Interest Withholding Tax in AUD, gross of fees.
Inception Date: 15 July 2011. , Returns over 1 year are pa

PORTFOLIO REVIEW & MARKET UPDATE

30 Jun 2021	Portfolio
No. of securities	30
Wtd Avg Market cap	USD 93.9bn
Price/Earnings	15.4x
Price/Book	4.8x
Dividend Yield	3.01%
Return on Equity	21.7%
Active Risk (vs Bmk)	5.1%
ESG Score* (Portfolio/Universe)	76/ 50

* Source: Refinitiv ESG Data

- World markets rose during the quarter, as a large fiscal stimulus was proposed to accompany ultra low interest rates.
- We remain invested in companies benefitting from increased industrial activity, productivity enhancing investment (true technology, infrastructure) and those with a margin of balance sheet safety.
- We are currently in a very favourable comparison with the Covid shutdown from 2020. This will pass and pressures are building to counter incipient price inflation with interest rate increases.
- US Fed policy could be described as “we’re going to close the barn door after the inflation horse has bolted, but closing it before he has gotten too far away will still be ok”
- We like Japan and Asia on valuation, fiscal resilience and improving governance. Shareholder activism is on the rise in Japan which will help continue the trend toward better treatment of shareholders.
- US policy is very skewed toward ‘equity of outcomes’. Large US companies are in the cross hairs of anti trust regulation. We still argue small cap is a better place to be - cheaper and typically less exposed to regulation.
- Notable performers were Johnson Controls + 15%, Ebara + 20%, Kurita Water + 10%, CRH + 8%, Ping An -18%. The last of these is suffering temporarily from monetary tightening by the PBOC and fears of continued credit defaults in China. We have re-affirmed our valuation and remain investors. How ironic that China is following a more traditional fiscal and monetary approach than the USA by tightening?! Short term pain but long term a better policy.
- We made minor trades in the quarter with no new names added and none removed.



The Strategy seeks long-term capital appreciation by investing in industry leading companies listed on the global market exchanges.

Our investment process selects stocks and builds portfolios by combining our quantitative stock analysis models with the team's extensive fundamental equity and market knowledge.

Our value-oriented approach pays careful attention to position sizes, sectoral and country weights.

We ensure that the active strategy pays equal attention to risk as to return.

Benchmark(s):

Contact for suggested reference benchmark

Investment Objective: Outperform the Benchmark by 3-5% pa over rolling 5 year time periods.

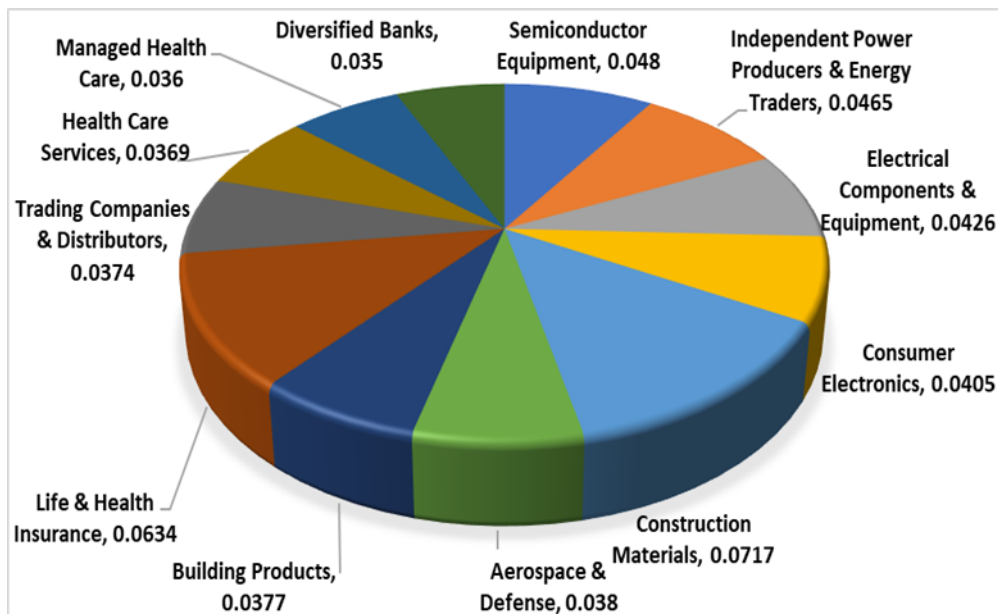
Portfolio Manager(s):

Robert Swift
Kevin Smith
Vinnie Esposito

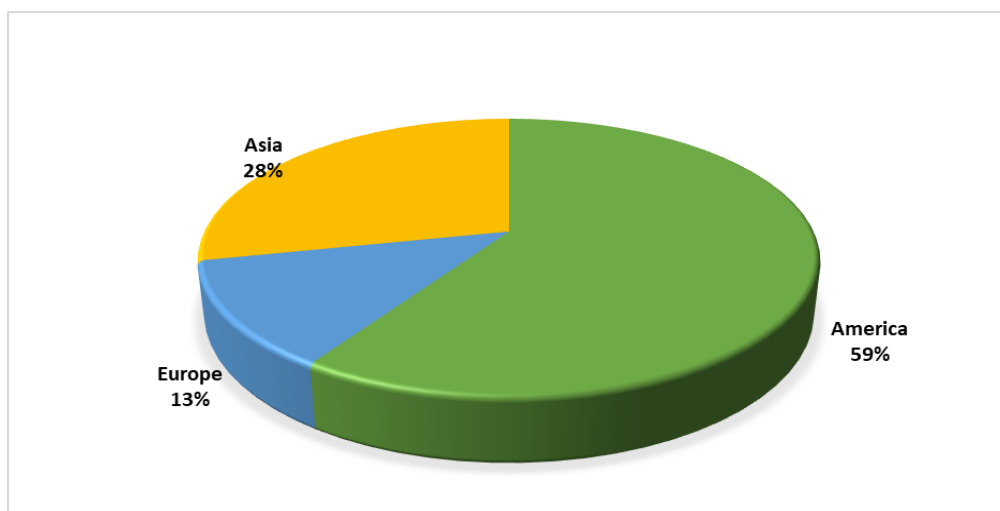
TEN LARGEST HOLDINGS

Company Name	Region	Portfolio
KLA Corp	America	4.80%
AES Corp	America	4.65%
Emerson Electric Co	America	4.26%
Sony Group Corp	Asia	4.05%
Heidelberg Cement AG	Europe	3.90%
General Dynamics Corp	America	3.80%
Johnson Controls	America	3.77%
Manulife Financial Corp	America	3.74%
Heidelberg Cement AG	Asia	3.74%
Quest Dynamics Inc	America	3.69%
TOTAL		40.40%

SECTOR ALLOCATION



REGIONAL ALLOCATION



This fact sheet relates to no single product and is only representative of the strategy offered by Delft Partners. Its is intended for wholesale professional investors in Australia only.

Important note: The Global High Conviction strategy is offered on a separately managed account basis. Your portfolio may experience different performance results to the factsheet results due to account size and minimum trade lot constraints. Performance results are shown gross of fees and portfolio holdings in this fact sheet are based on the primary live managed account portfolio. Contact us for further information.

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