



Plato Investment Funds

Statement of Investment Policy and Objectives

Investment Management by Plato Investment Management Limited

This is the Statement of Investment Policy and Objectives for the:

- Plato Global Alpha PIE Fund

Effective date: 8 May 2026
Issued by FundRock NZ Limited

A. Description of the managed investment scheme

Plato Investment Funds ('Scheme') is a managed investment scheme. The Scheme has on offer one single sector investment fund, the Plato Global Alpha PIE Fund ('Fund'), which provides investors with long and short exposure to an actively managed, diversified portfolio of listed international equities.

The Fund, or any underlying investment portfolios, are actively managed. The Fund may invest through other managed investment schemes or directly into equities across various global listed equity markets.

B. Roles and responsibilities

FundRock NZ Limited ('FundRock') is the licensed manager ('Manager') of the Scheme. The Manager's key roles and responsibilities are:

- Preparation of disclosure material.
- Establishing, reviewing and maintaining this Statement of Investment Policy and Objectives ('SIPO').
- The ongoing management and oversight of the Fund. This includes appointing, managing and monitoring specialist providers for:
 - administration management; and
 - investment management.
- Monitoring investment performance and outcomes.

Plato Investment Management Limited ('Plato' or 'Investment Manager') is the Scheme's investment manager and is responsible for making recommendations and decisions about how the Fund is invested. The Fund is invested according to Plato's investment philosophy and process. Currently, the Fund invests substantially all its assets in the Plato Global Alpha Fund ('Underlying Fund'), a registered Australian managed investment scheme which is also managed by Plato.

Key administration functions, being fund accounting and unit pricing, are currently performed by Apex Investment Administration (NZ) Limited. Registry services are also provided by Apex Investment Administration (NZ) Limited.

Public Trust is the Scheme's supervisor ('Supervisor'). The Supervisor is responsible for supervision of the Manager and the Scheme, including:

- acting on behalf of the Fund's investors in relation to the Manager and any contravention of the Manager's issuer obligations;
- supervising the performance by the Manager of its functions and the financial position of the Manager and the Scheme; and
- holding the Scheme property or ensuring that the assets are held in accordance with applicable legislative requirements.

C. Investment philosophy

Plato's investment philosophy is that markets are less than perfectly efficient, and a disciplined, systematic process can take advantage of these inefficiencies to deliver better risk-adjusted returns than the market.

Plato also believes that high-quality companies, selling at a discount to intrinsic value with a catalyst and positive sentiment, tend to outperform the market. In contrast, low quality companies, selling at a premium to intrinsic value with a negative catalyst/sentiment, tend to underperform the market.

D. Fund investment objectives and strategies

The investment objectives and strategies for the Fund are:

Plato Global Alpha PIE Fund

Objectives

The Fund aims to outperform its Benchmark, the MSCI World Net Total Return Index in New Zealand dollars, net of fees and before taxes, over rolling 5-year periods.

The Fund is not hedged back to the New Zealand dollar.

Investment strategy

Benchmark

- MSCI World Net Total Return Index in New Zealand dollars.

Target asset allocation

- 95% international equities¹.
- 5% cash and cash equivalents.

The Fund is expected to be fully invested. A portion of the portfolio may be allocated to cash and cash equivalents for liquidity purposes.

Asset allocation ranges:

- 90% - 100% international equities.¹
- 0% - 10% cash and cash equivalents.²

Appointed investment manager:

- Plato Investment Management Limited.

Investment manager strategy:

- The Fund invests substantially all of its assets in the Underlying Fund³, and through the Underlying Fund, gets long and short exposure to an actively managed, diversified portfolio of listed international equities.
- The Underlying Fund is a global equity long short fund. Plato identifies investments using a bottom up, fundamental investment strategy focusing on intrinsic value, holistic quality, sentiment and a proprietary Red Flags system. The system helps Plato identify potential underperformers and short opportunities. These span corporate governance, remuneration, forensic accounting, financial distress, and social and environmental impacts (see below under heading 'Ethical Considerations').
- The Underlying Fund can take long and short equity positions, meaning the Underlying Fund may be geared (or leveraged). Plato employs risk exposure constraints to control incidental sources of risk in the portfolio which is monitored daily. As at the date of this SIPO, those limits imposed on the Underlying Fund are:
 - Short equity positions of up to a maximum of 80% of its net asset value ('NAV') with each individual short equity position limited to 2% of its NAV.
 - Long equity positions of up to 180% of its NAV.
 - Gross equity positions (long + short) of up to 260% of its NAV.

The table below further illustrates the Underlying Fund's gross and net exposure to global equities (as a percentage of NAV):

	Typical ⁴	Maximum
Long Equity Exposure	140-150%	180%
Short Equity Exposure	40-50%	80%
Gross Equity Exposure	180-200%	260%
Net Equity Exposure	90-100%	100%

For example, if the Underlying Fund holds \$100 of investor capital, and invests \$150 in long equity positions and \$50 in short equity positions, it would have the following characteristics:

- investor capital and net assets of \$100;
- gross equity exposure of \$200 (\$150 long + \$50 short);
- net equity exposure of \$100 (\$150 long - \$50 short); and
- gross leverage of 2 x (gross equity exposure of \$200 / investor capital of \$100).

Leverage can amplify gains and also amplify losses. These features mean that the Fund will not be appropriate for all investors.

For further detail on the Underlying Fund's investment objectives, strategy and policies, see Plato's website: <https://plato.com.au/global-strategies/plato-global-alpha-fund/>.

¹ The Underlying Fund will be considered to be 100% international equities for the purposes of this SIPO.

² Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range. Excludes any cash held by the Underlying Fund.

³ Details of the Underlying Fund's portfolio strategy and configuration can be obtained by contacting the Investment Manager.

⁴ The ranges provided are indicative only and the Underlying Fund may move above and below the ranges without notice. More information can be obtained by contacting the Investment Manager.

Permitted investments:

- International equities.
- Cash and cash equivalents.
- Managed investment schemes.
- Currency hedging instruments.

Rebalancing policy:

- The Fund's benchmark asset allocation ranges set out above are monitored on a daily basis. If exposures move outside those ranges, action will be undertaken by using available cash flows and/or buying/selling portfolio assets to return the Fund to within range, seeking to minimise transaction costs and market impact. Rebalancing will be undertaken as soon as reasonably practicable and is normally expected to be completed within 5 working days after the date the Manager becomes aware of that position. If it is not practicable to restore the Fund to within range within 5 working days due to market disruption, illiquidity or other trading constraints, the Fund will continue to be rebalanced progressively as conditions allow.

Currency policy:

- The Fund is not hedged back to the New Zealand dollar.

Other:

- The Underlying Fund may utilise borrowing and short selling techniques to obtain leverage as outlined in 'Investment manager strategy' above.
- The Fund can borrow up to 5% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e., to temporarily fund redemptions, settle securities trades or pay expenses).

E. Ethical considerations

"Red Flags" model

Plato takes into account environmental, social (including labour standards) and ethical (incorporating corporate governance) ('ESG') considerations when selecting, retaining or realising investments in the Underlying Fund through its proprietary "Red Flags" model. Examples of Red Flags include:

- Toxic emissions waste - amount of exposure to liabilities related to contamination, pollution, and the emissions of carcinogenic or toxic substances.
- Labour supply-chain standards - the possibility of production disruptions or reputational risks due to the sub-standard treatment of workers in the company's supply-chain.
- Lack of independent directors - absence of independent directors on the board.
- Identity of the auditor.
- Size of the board of directors.
- Historical misconduct by directors.
- Existence of related party transactions.

Plato does not have a fixed methodology or weightings for taking ESG considerations into account when selecting, retaining or realising the investments of the Underlying Fund and each investment opportunity is assessed on a case-by-case basis at Plato's sole and complete discretion. Red Flags do not necessarily preclude investment and a lack of a Red Flag does not necessitate investment by the Underlying Fund.

Exclusion policy

In addition to the Red Flags assessment, the Underlying Fund is committed not to hold long positions in:

- Companies classified in the Tobacco sector (as defined by the Global Industry Classification Standard (GICS)); and
- Companies that derive more than 5% of revenues from Thermal Coal Mining (based on data sourced from Institutional Shareholder Services (ISS)). For the purposes of this assessment, Plato relies on the Thermal Coal Mining – Maximum Percentage of Revenues metric provided by ISS, which ISS discloses is the maximum percentage of recent-year revenues attributable to an issuer's total involvement in the mining of thermal coal. The maximum percentage of revenues value is based on the best available data, which may include reported revenues, reported percentages of revenues, or estimated revenues based on available information.

In the event that it is discovered that the Underlying Fund holds long positions outside of the thresholds for exclusions set out above, it will seek to exit those positions in a reasonable timeframe. However, there are no specific timeframes for exiting those positions and therefore no penalties for failing to exit a position in a particular timeframe.

The Underlying Fund may hold short positions in companies classified in the above excluded sectors.

For further detail on the Red Flags model and exclusions, please refer to the Underlying Fund's product disclosure statement available on Plato's website: <https://plato.com.au/global-strategies/plato-global-alpha-fund/>.

F. Investment policies

Taxation

The Fund has elected to be a Portfolio Investment Entity ('PIE') and is therefore taxed under the PIE regime.

Whether the Fund invests directly or via a managed investment scheme may have tax implications for investors. In determining which approach to use, tax may be considered, alongside other factors such as cost and implementation feasibility.

Liquidity

The liquidity risk of the Fund is assessed with reference to liquidity of the underlying assets and securities. The Manager then establishes an appropriate application and redemption frequency for the Fund. The Fund invests predominantly in liquid investments and hence has daily applications and redemptions. Market conditions and other factors can, however, change resulting in some assets becoming difficult to sell. Hence if the Fund were to experience liquidity problems or if major markets were closed, the Manager may defer or suspend redemptions for a period of time.

Related-party transactions

Related-party transactions, other than the types permitted under the FMC Act, are prohibited.

The Fund may enter into transactions with related parties if permitted under section 174 of the FMC Act (and the manager certifies to this effect) or consented to by the Supervisor under section 173(2)(a). Examples of such transactions include:

- a Fund investing in another Plato fund; or,
- parties related to the Fund, including the staff and directors of Plato and their families, and the staff of FundRock and their families from time to time investing in the Fund.

The Manager will report such transactions by related parties to its Supervisor in accordance with section 173(2) of the FMC Act.

Trade allocations and transactions

The Fund invests in another managed investment scheme rather than trading directly in securities.

Plato has appropriate trade allocation, best execution, and brokerage policies and processes governing their investment management activity on behalf of the Underlying Fund, which trades directly in securities.

Other relevant policies

Summaries of the key relevant policies are set out below.

Pricing and Asset Valuation Policy

The purpose of this policy is to set out how FundRock manages its pricing and asset valuation obligations, and the way in which FundRock exercises its discretions authorised by the Trust Deed and the Fund's establishment documentation.

This policy also links to FundRock's Outsourcing Policy reflecting that it outsources functions including registry, fund administration and unit pricing to third parties. In particular, the Outsourcing Policy governs how FundRock selects, monitors and undertakes ongoing due diligence on third party providers.

Within the bounds of what is reasonable and practical FundRock's goals are to:

- have unit prices that reflect fair, realisable value of underlying assets and liabilities;
- ensure equitable treatment of investors entering, exiting or remaining in the Fund;
- have a consistent and objective process for determining unit prices; and
- comply with governing documents, offer documents and the law.

Conflicts of Interest and Related Party Transactions Policies

FundRock's Conflicts of Interest and Related Party Transactions policies set out the principles and procedures relating to the management of conflicts of interest within FundRock. The policies apply to all of FundRock's directors, relevant officers, senior management and employees.

The policies provide guidance on:

- what is meant by a conflict of interest; and
- what constitutes a related party transaction; and
- how these are managed.

Investment Management Policy

This document sets out FundRock's policies and procedures in relation to appointing and monitoring investment managers. In particular the policy covers:

- investment management governance;
- investment manager selection and appointment; and
- investment manager monitoring and compliance.

G. Investment performance monitoring

FundRock monitors investment performance of the Fund on a monthly basis. Performance is measured and assessed on the following basis for 1-, 3- and 5-year periods:

- gross return (before fees and before tax);
- net return (after fees and before tax);
- Benchmark return;
- performance relative to Benchmark;
- annualised standard deviation of fund returns (based on monthly returns);
- annualised standard deviation of Benchmark returns (based on monthly returns); and
- annualised Tracking Error (based on monthly returns).

FundRock reports investment performance to the Supervisor and to the FundRock Board.

The FundRock Board has responsibility for oversight of Investment Manager performance. The FundRock Board aims to meet at least quarterly.

H. Investment strategy review

The FundRock Board has responsibility for oversight of the Investment Manager's performance and aims to meet at least quarterly.

The Fund, through the Underlying Fund, is expected to be fully invested in global equities with a portion allocated to cash and cash equivalents for liquidity purposes. FundRock does not intend to amend the Fund's investment strategy, although amendments may be made following recommendations by the Investment Manager.

I. SIPO monitoring and review

The FundRock Board is responsible for governance oversight of the SIPO.

The Manager's compliance processes include periodic policy reviews. The SIPO is reviewed annually by FundRock management, including ensuring the investment strategy and asset allocation ranges remain appropriate, with the outcomes of the review reported to the FundRock Board. In addition, FundRock management may initiate an ad hoc review, with examples of events that could lead to this being:

- the Investment Manager recommending changes to the SIPO;
- a change in roles and responsibilities of key persons of the Manager or key service providers; and
- permanent change in risk and return characteristics of the relevant market.

SIPO reviews take into account the views of FundRock and the Investment Manager and if required, the views of external experts.

The Manager can make changes to the SIPO in accordance with the Trust Deed and the FMC Act. Before making changes to the SIPO, the Manager will consider if the changes are in the best interests of investors and consult with the Supervisor. Any changes to the SIPO require Board approval. The Manager will give notice to all investors in the Fund before implementing any material SIPO changes.

The Manager is responsible for monitoring adherence to the SIPO and reporting any breaches to the FundRock Board and the Supervisor.

The current version of this SIPO, and other useful information about the Funds, is available on www.companiesoffice.govt.nz/disclose.

This SIPO was approved by the FundRock Due Diligence Committee, under delegation from the FundRock Board on 8 May 2026 and takes effect on 8 May 2026.

J. Glossary

Act and **FMC Act** means the Financial Markets Conduct Act 2013.

Benchmark means the financial index or indices against which a Fund's performance is measured.

Fund means the managed investment fund offered within the Scheme, being the Plato Global Alpha PIE Fund.

Manager or **FundRock** means FundRock NZ Limited.

NAV means net asset value.

Plato or **Investment Manager** means Plato Investment Management Limited.

Prescribed Investor Rate (PIR) means the rate used to calculate how much tax you'll pay on your portfolio investment entity (PIE) taxable income.

Scheme means the Plato Investment Funds, a managed investment scheme established under a trust deed dated 1 December 2016, a scheme establishment deed dated 9 April 2026, and a Fund Establishment Deed dated 9 April 2026.

Supervisor means the supervisor of the Scheme, which is Public Trust.

Tracking Error means the annualised standard deviation of the difference between the returns of a Fund and the Benchmark against which its performance is measured.