



WILSONS
ADVISORY

Research Independence Policy

Effective from July 2023

Wilsons Advisory and Stockbroking Limited ("Wilsons Advisory")
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1 Introduction

The purpose of this Research Independence Policy (**Policy**) is to confirm the independence and objectivity of the Research Reports published by Wilsons Advisory and Stockbroking Limited (**Wilsons Advisory**) (ABN 68 010 529 665, AFSL 238375) pursuant to the guidance of its regulatory body, the Australian Securities and Investments Commission (**ASIC**).

Wilsons Advisory has a number of policies and procedures in place designed to maintain the integrity and independence of the research produced and distributed. This Policy sets out a summary of these measures as well as clarification of the approach undertaken when producing research to ensure compliance with regulatory obligations.

2 Scope

This Policy applies to all investment research published by Wilsons Advisory. Wilsons Advisory publishes Research Reports for the exclusive use by clients (both retail and wholesale) and is not intended for the use or external distribution to members of the general public. Occasionally, Wilsons Advisory may provide research services as part of the ASX Equity Research Scheme. When this occurs, disclosure will be made within the Research Report.

3 Research Reports

Research Reports must be based on objective, verifiable facts, and analysis, and not on Material Non-Public Information. They must clearly disclose the reasons behind the opinions and recommendations contained in the Research Report.

Research Reports must be objective, unbiased and reflect the genuine personal opinion, judgement and expertise of the Research Analyst authoring the Research Report. Research Analysts can only include prospective information in a Research Report if the Research Analyst has reasonable grounds to do so.

Research Analysts will not interact with other Wilsons Advisory Divisions with respect to the preparation of Research Reports nor will their views, models or draft Research Reports be communicated within Wilsons Advisory or to any other external party in advance of the wider distribution of the Research Report.

4 Experience and expertise of the Research Division

Wilsons Advisory Research Analysts' profiles, detailing experience, education and professional history, are available to clients on the Wilsons Advisory's Client Portal.

5 Research Coverage, Recommendation and Price Targets

Decisions to initiate, resume, suspend or discontinue research coverage of a company are made by the Head of Research in conjunction with the Research Analyst concerned. Decisions are based primarily on investment merit. Consideration will be given to breadth of coverage and optimal resource allocation.

Information about the initiation and cessation of Research Report coverage, changes to recommendations or price targets/ valuations is restricted to the Research Division and Compliance. The initiation and cessation of research coverage of individual securities is notified in the monthly Equity Research Coverage Report available on Wilsons Advisory's Client Portal.

6 Conflicts of Interest

To protect the objectivity and independence of Wilsons Advisory's research, it is necessary to ensure that Research Analysts are not compromised through their involvement in activities that might conflict with the generation of completely objective Research Reports.

Wilsons Advisory has robust Compliance and control functions to ensure that conflicts of interest are managed appropriately. Wilsons Advisory has a Conflicts of Interest Policy which applies to all employees, inclusive of Research Analysts. Wilsons Advisory maintains a Conflicts of Interest register which records all actual, potential and perceived and how they are managed. Wilsons Advisory management of conflicts includes:

- Reporting lines for all Research Analysts are independent from other business units to limit any actual or potential for Conflicts of Interest to arise.
- Remuneration arrangements for Research Analysts are not directly or indirectly linked to the specific recommendations or views expressed in published research reports or direct contribution to Corporate activity.
- Wilsons Advisory Research budget is determined by senior management with no input from Corporate Advisory.
- All staff, including Research Analysts, are subject to Wilsons Advisory's staff trading policy.
- Requirement for all staff, including Research Analysts, to declare any actual, potential or perceived conflicts of interest to Wilsons Advisory's Compliance team.

- Adherence to strict physical and electronic information barriers (Chinese Walls) between the Research Division and all other business divisions, including established wall-crossing procedures.
- Wilsons Advisory discloses all relevant disclosures (business and personal) in its Research Reports.
- Non-research staff are prohibited from directing or influencing any Research Analyst to publish a research report or direct the views or opinions expressed in a published Research Report.
- Wilsons Advisory has Research blackout periods in place where the Corporate Advisory team are involved in capital raising or M & A activities.
- Ongoing compliance training, which includes the handling of Conflicts of Interest

7 Material Non-Public Information

Wilsons Advisory bases all Research Reports on publicly available information and will not issue Research Reports or make Research commentary when in possession of material non-public information.

Should a Research Analyst receive, or is to receive, material non-public information, Wilsons Advisory's Inside Information and Chinese Walls Policy will come into effect and the Research Analyst will be wall-crossed. They will then be precluded from providing further research on the relevant security, inducing others to deal in the relevant security and disclosing the information to anyone else i.e. tipping off.

8 Research and Ratings

Wilsons Advisory employs a variety of methodologies to arrive at a valuation including discounted cash flow and other valuation multiples methodologies. A 12-month target price is generally presented in Research Reports for all companies under coverage (unless otherwise specified). The target price methodology will commonly be stated on the front page of the report, with further analysis, metrics and our investment thesis (including the Company's outlook, valuation and relevant risks) set out in the body of the Research Report.

Wilsons Advisory may also release "Alert" notes in response to released public information which would impact market activity of the stock. The purpose of this publication is to disseminate new public information to the client base. Alerts may be followed by a full Research Report, particularly where the released information has a bearing upon company financials and/or valuation and/or recommendation.

Research Reports published by Wilsons Advisory are current as at the date of publication but may be superseded by future publications. Wilsons Advisory assumes no obligation to update the information or advise on further developments relating to the company or companies covered in the Research Report.

The following table sets out Wilsons Advisory recommendation structure:

Definition	Description
Overweight	Based on an expected Total Shareholder Return of +10% or more over a 12-month period, coupled with our assessment of the quality and risk of the investment, we recommend that investors buy the stock.
Underweight	Based on an expected Total Shareholder Return of -10% or more over a 12-month period, coupled with our assessment of the quality and risk of the investment, we recommend that investors sell the stock.
Market Weight	Based on an expected Total Shareholder Return of between +10% to -10% over a 12-month period, coupled with our assessment of the quality and risk of the investment, we take a neutral view on the stock.
NR - Not Rated	The recommendation has been suspended temporarily or coverage has been ceased. Such suspension is in line with Wilsons Advisory's policies in circumstances where Wilsons Corporate Finance Limited is acting in an advisory capacity in a merger or strategic transaction involving the company and in certain other situations.
Check Report	This recommendation is used for sector reports, quantitative reports, Investment Strategy Group (ISG) reports and Alerts (previously Preliminary Signals) where the rating is under review by the analyst.

Note: Total Shareholder Return = capital growth in share price + expected dividend yield in that period.



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