

iShares Wholesale Australian Bond Index Fund (S Class)

Rating issued on 13 Jun 2024 | APIR: BLK1402AU

Investment objective

To provide investors with a total return equivalent to the Bloomberg AusBond Composite 0+ Yr Index, before fees, while minimising Tracking Error.

Manager	BlackRock Investment Management (Australia) Limited
Distributor	BlackRock Investment Management (Australia) Limited
Sector	Australian Fixed Interest \ Bonds
Investment Style	Index - Traditional
RI Classification	Traditional
Absolute Risk	Low
Relative Risk	Index
Investment Timeframe	3-4 Years
Benchmark	Bloomberg AusBond Composite Index
Min Investment Amount	\$500,000
Redemption Frequency	Daily
Income Distribution	Quarterly
Fund Size	Not Disclosed
Management Cost	0.10% p.a. Incl. GST
Performance Fee	N/A
Buy / Sell Spread	0.05% / 0.05%
Inception Date	30 Nov 2022

Fund facts

- Seeks to produce a gross return consistent with that of its benchmark
- Implements a stratified sampling approach, with a focus on cost-efficient execution
- Highly competitive cost structure

Viewpoint

The Fund, managed by BlackRock Investment Management Australia Limited (BlackRock), provides cost efficient exposure to a diversified portfolio of Australian Fixed Interest securities. Through a stratified sampling approach to portfolio construction, the Fund is designed to produce investment outcomes broadly consistent with that of the Bloomberg AusBond Composite 0+ Yr Index. Zenith believes that BlackRock is a specialist manager of index-orientated strategies, and through its systematic process and use of technology, is well positioned to meet its targeted return and Tracking Error objectives.

A publicly-listed company, BlackRock employs approximately 19,300 staff located in 38 countries around the world, with approximately \$US 10.47 trillion in funds under management (FUM) as at 31 March 2024.

Responsibility for the Fund rests with BlackRock's Sydney-based Fixed Income team, which comprises seven members, each of whom are split according to investment function (i.e. Portfolio Management, Credit Research and Risk Management). Leading the team is Craig Vardy, Head of Australian Fixed Income, and a member of BlackRock's APAC Fixed Income Group. In this role, Vardy oversees BlackRock's Indexed, Enhanced and Exchange Traded Fund (ETF) Australian Bond portfolios.

Zenith has high conviction in Vardy's investment and leadership qualities, believing his skill set is well aligned to the management of the Fund.

Furthermore, we believe he is strongly supported by the local Fixed Income team, and in particular Portfolio Manager, Dmitri Levachov who maintains responsibility for day-to-day management of the Fund.

In targeting an index return, BlackRock does not hold all securities within the benchmark. Rather, BlackRock seeks to achieve a commensurate total return by implementing a systematic process that focuses on key factor exposures (i.e. duration, spread) as a means of index replication. Referred to as 'stratified sampling', this approach is focused on identifying common risk factors and grouping these into like buckets such as maturity, sector, credit quality and industry.

Portfolio construction is largely systematic and relies heavily on BlackRock's proprietary systems to develop an understanding of the underlying risk and return drivers of each bucket. The team will then select a sample of eligible securities that when combined, reflect the overall characteristics of the index. BlackRock also uses a number of tools to minimise transaction costs. Included amongst these are electronic trading platforms, internal crossing networks and exchange-traded interest rate derivatives.

To offset management costs, BlackRock engages in securities lending, a process that involves lending bonds in exchange for a specified fee. While BlackRock has demonstrated value add from these activities over the long term, investors should note that this is not without risk, most notably failure of the counterparty to return borrowed securities at the agreed future date.



Fund analysis

Fund characteristics

Constraint	Value
Tracking Error (% p.a.)	Max: 0.05% p.a.

Investment objective and philosophy

The Fund aims to provide investors with a total return equivalent to the Bloomberg AusBond Composite 0+ Yr Index, before fees, while minimising Tracking Error.

BlackRock's passive investment process is guided by its philosophy which is focused on Total Performance Management. This states that in order to achieve the Fund's return objective, risk must be understood and adequately compensated while concurrently taking transaction costs into consideration. Furthermore, it is essential that portfolio managers have a detailed understanding of the benchmark, its core characteristics, potential index changes and the issuance of new securities. This in turn necessitates detailed portfolio analysis, benchmark research in support of portfolio construction, and established trade execution processes.

In targeting an index return, BlackRock does not seek to hold all securities within the benchmark. Whilst a full replication approach can produce optimal Tracking Error results, it will also lead to a rise in transaction costs relative to alternative methods. Accordingly, BlackRock adopts a 'stratified sampling' approach to portfolio construction, with the aim of producing a commensurate total return through the replication of factors and characteristics of the benchmark.

Zenith believes that BlackRock applies a comprehensive approach to passive investment, effectively leveraging key business units and sophisticated risk management infrastructure. Furthermore, Zenith views this approach as systematic and well considered, with a strong focus on the balance between risk and transaction costs.

Portfolio applications

Bonds are longer-dated Fixed Income securities that seek to provide investors with a regular income stream and the return of capital at a predefined future date. Given their defensive characteristics, Bonds can form a key component of an investor's portfolio, with specific allocation to the Fixed Interest asset class.

An inverse relationship exists between the price of Bonds and interest rates, the extent of which is not linear and varies according to existing market conditions and the perception of risk. Bonds generally exhibit a negative correlation with Equities and often rise in price when growth assets are falling (and vice versa). Bonds are more likely to be favoured during times of heightened risk aversion and typically dampen investment portfolios against capital drawdowns.

The Fund offers exposure to a diversified portfolio of Australian Fixed Interest securities with a broad range of maturities. Through a passive approach to portfolio management, the Fund is designed to produce risk/return outcomes that are broadly consistent with that of the Bloomberg AusBond Composite 0+ Yr Index. The existence of tight mandate and risk constraints makes the Fund suitable as a core domestic

Fixed Interest allocation for those with an investment horizon of three or more years. The Fund is likely to appeal to cost sensitive investors and those seeking a Fixed Interest product where total returns are likely to compose of income distributions.

From a portfolio perspective, the Fund may be suitable for blending with International Fixed Interest strategies, and when combined, may produce a more balanced set of investment outcomes. Due to the anticipated moderate levels of volatility, with the potential for capital loss, Zenith recommends taking a medium-term investment time frame. We caution against the Fund being used by investors with short-term (e.g. daily) liquidity needs.

Fund responsible investment attributes

Key Information	Description
Zenith RI classification*	Traditional
Has Responsible Investment Policy	Yes

PRI Status	
PRI Signatory	Yes

*Zenith RI Classification scale:

- Traditional
- Aware
- Integrated
- Thematic
- Impact



Absolute performance

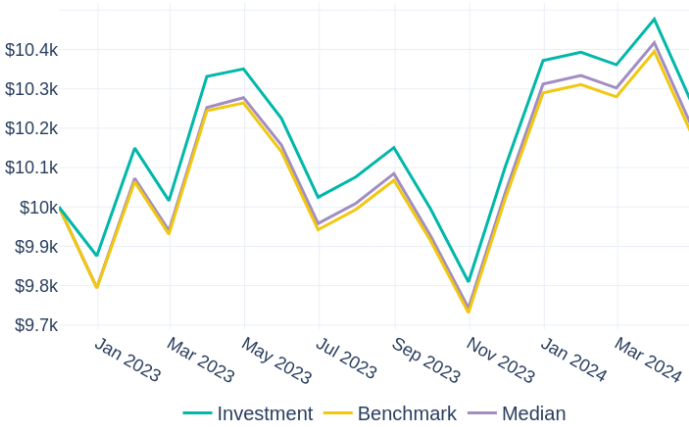
Performance as at 30 Apr 2024

Monthly performance history (% , net of fees)

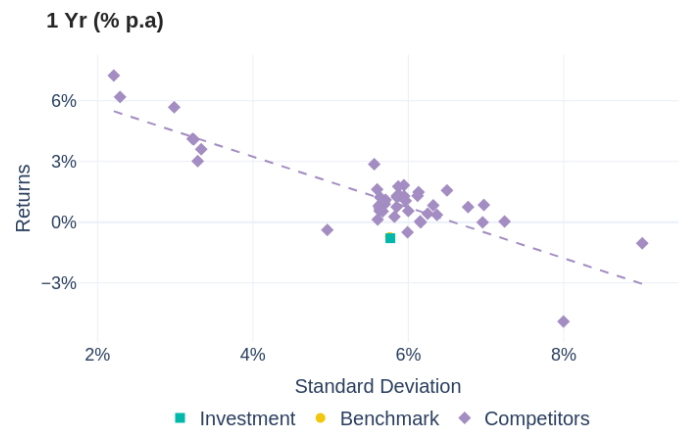
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	BM YTD*
2024	0.20%	-0.31%	1.12%	-1.99%									-1.00%	-0.98%
2023	2.77%	-1.32%	3.15%	0.18%	-1.21%	-1.96%	0.52%	0.74%	-1.53%	-1.86%	2.97%	2.68%	5.03%	5.06%
2022												-1.24%	-1.24%	-2.06%

*Bloomberg AusBond Composite Index

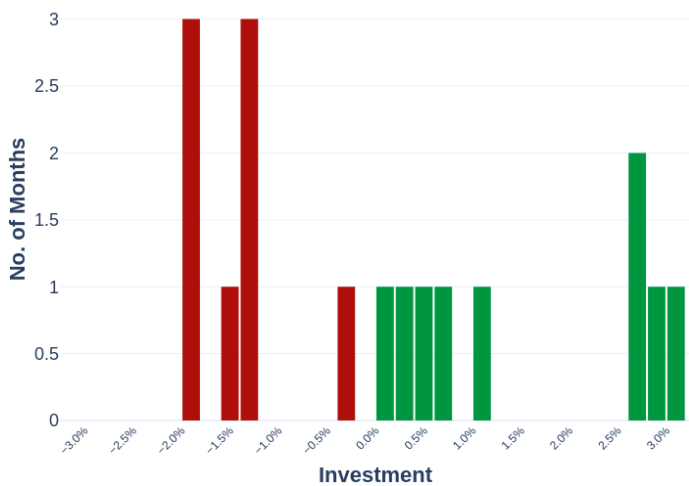
Growth of \$10,000



Risk / return



Monthly histogram



Minimum and maximum returns (% p.a.)





Absolute performance analysis

Instrument	1 Mth	3 Mths	6 Mths	1 Yr	Inception
Investment	-1.99%	-1.20%	4.68%	-0.80%	1.89%
Benchmark	-1.98%	-1.18%	4.71%	-0.73%	1.33%
Median	-2.00%	-1.21%	4.78%	-0.67%	1.47%
Cash	0.35%	1.07%	2.14%	4.20%	3.93%

Ranking within sector (p.a.)

Ranking within Sector	1 Yr	Inception
Fund Ranking	2 / 3	1 / 3
Quartile	-	-

Absolute risk

Instrument	1 Yr	Inception
Standard Deviation (% p.a.)		
Investment	5.77%	6.16%
Benchmark	5.76%	6.32%
Median	5.83%	6.38%
Downside Deviation (% p.a.)		
Investment	3.90%	3.61%
Benchmark	3.88%	3.85%
Median	3.90%	3.87%

Absolute risk/return ratios

Instrument	1 Yr	Inception
Sharpe Ratio (p.a.)		
Investment	-0.87	-0.33
Benchmark	-0.86	-0.41
Median	-0.84	-0.39
Sortino Ratio (p.a.)		
Investment	-1.28	-0.57
Benchmark	-1.27	-0.67
Median	-1.25	-0.64

Zenith benchmarks funds in the 'Australian Fixed Interest - Bonds' peer group against the Bloomberg AusBond Composite Index. While this benchmark may not be consistent with the one adhered to by all rated participants, it has been adopted to provide investors with a common reference point against which similarly structured strategies may be assessed.

The following commentary is current as at 30 April 2024.

Consistent with its objective of returning the performance of the index, the Fund has generated net returns closely tracking Zenith's assigned benchmark over all time periods assessed.



Relative performance



Excess returns

Statistic	1 Mth	3 Mths	6 Mths	1 Yr	Inception
Excess Return	-0.01%	-0.02%	-0.03%	-0.06%	0.56%
Monthly Excess (All Mkts)	0.00%	0.00%	0.00%	8.33%	23.53%
Monthly Excess (Up Mkts)	0.00%	0.00%	0.00%	16.67%	22.22%
Monthly Excess (Down Mkts)	0.00%	0.00%	0.00%	0.00%	25.00%

Capture ratios (% p.a.)

Statistic	1 Mth	3 Mths	6 Mths	1 Yr	Inception
Downside Capture	100.27%	100.51%	100.51%	100.51%	93.62%
Upside Capture	0.00%	99.45%	99.77%	99.78%	99.91%

Tracking error (% p.a.)

Instrument	1 Yr	Inception
Investment	0.01%	0.67%
Median	0.10%	0.11%

Information ratio

Instrument	1 Yr	Inception
Investment	-6.20	0.83
Median	0.65	1.28

Beta statistics

Statistic	1 Yr	Inception
Beta	1.00	0.97
R-Squared	1.00	0.99
Correlation	1.00	0.99

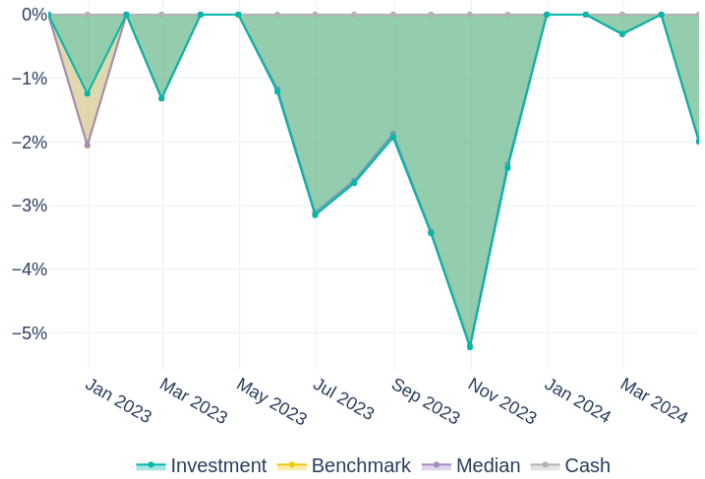
The following commentary is current as at 30 April 2024.

Zenith seeks to identify funds that can outperform the index in over 50% of months in all market conditions, as we believe this represents consistency of manager skill.

Zenith notes that relative assessments are less relevant for index-centric strategies. We do however believe that assessments of Tracking Error are important in demonstrating how closely the Fund's returns resemble that of its targeted benchmark. Over the long term, the Fund's Tracking Error has remained in line with its targeted range.

Drawdown analysis (since inception)

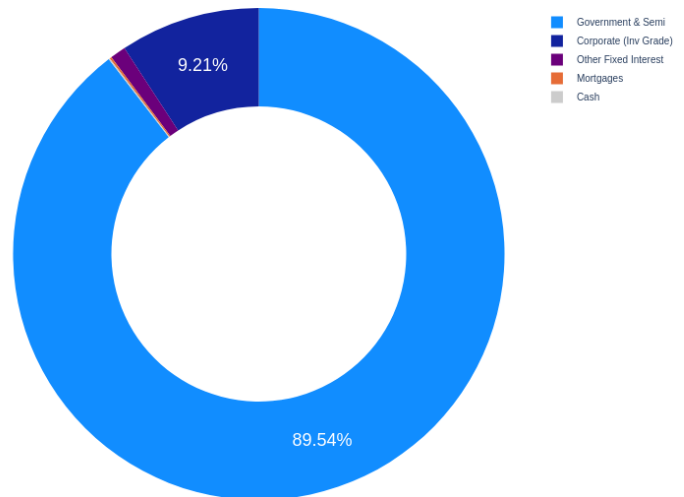
Drawdown analysis assesses the relative riskiness of a Fund versus the benchmark, in reference to capital preservation. The maximum Drawdown is recorded as the percentage decline in the value of a portfolio from peak to trough (before a new peak is achieved). All Drawdown analysis is calculated commencing 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.



The following commentary is current as at 30 April 2024.

The Fund's drawdowns have been broadly consistent with that of its performance index.

Fixed interest sector holdings





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.

Tracking Error risk: As an index strategy, a key risk facing the Fund is incurring excessive Tracking Error, the existence of which may see Fund performance deviate from that of its targeted benchmark.

Benchmark replication risk: Notwithstanding the Fund's investment approach, investors should be aware that the Fund does not guarantee gross returns that fully replicate those of its stated performance benchmark. By consequence, there is a risk that the Fund may underperform.

Security/asset selection

The Fund can invest in all Australian Dollar denominated issues that meet the credit quality (minimum BBB-) and size of issue criteria for inclusion in the benchmark, the Bloomberg AusBond Composite 0+ Yr Index. The index includes securities issued by the Commonwealth Government, State Government Guaranteed Treasury Corporations, Semi-Government authorities, and Corporate issues. BlackRock may also take positions in non-benchmark securities, however these exposures will be limited to those that are expected to be included in the benchmark in the near term.

Given the nature of the strategy, security selection plays a limited role in achieving the Fund's objective. Notwithstanding this, the use of stratified sampling in certain segments of the market, particularly in the corporate sector, enables BlackRock to add value by applying a judgemental overlay. In deciding on which securities to purchase, or which to exclude, the domestic team leverages the extensive fundamental research available through BlackRock's global network of credit analysts. While there appears to be some discretion in security selection, it should be noted that this process occurs within a limited framework and is not permitted to have a material influence on the portfolio's overall risk/return profile.

Historically, BlackRock has shown an ability to add incremental return through security selection. Pleasingly, this has been without disproportionately altering the Fund's risk profile, a factor we attribute to the risk-controlled framework that BlackRock has in place.

Responsible investment approach

BlackRock has an established Responsible Investment Policy (RIP) that was last updated in March 2023. Compliance with the RIP is monitored by BlackRock's Sustainable Investment Team alongside the Risk and Quantitative Analysis (RQA) team. In addition, BlackRock has been a signatory to the United Nations Principles of Responsible Investment (PRI) since 2008.

At a firmwide level, BlackRock has in place a mandate requiring all divisions and teams to incorporate Environmental, Social and Governance (ESG) matters within investment and portfolio construction processes. To facilitate this, BlackRock has established a number of formal committees tasked with the development and monitoring of group wide ESG policies. Furthermore, BlackRock has added resourcing in the area of technology, with the goal of improving ESG related reporting. An example of this is the addition of issuer-level ESG data into their internal risk management system, Aladdin.

For client reporting purposes, BlackRock also produces ESG metrics with respect to active risk contribution by ESG rating and emission intensity. Zenith views favourably the disclosure of measures that seek to quantify the value add from ESG active management. Notwithstanding this, BlackRock's ESG-related processes bear less relevance when considered in relation to its suite of passive, index-tracking products.

Portfolio construction

Index construction

Bloomberg AusBond Indices are benchmarks for Australian and New Zealand investment grade debt markets. They include AUD and NZD denominated Government, Semi-Government, Local Government, Supranational, Sovereign, Corporate, Floating Rate Notes, and Inflation-Linked Securities.

These indices use a systematic process to represent the Fixed Income markets by geography, sector and maturity. Index construction seeks to strike a balance between investability and completeness when determining index membership, particularly when considering liquidity issues. Sub-indices are broken out based on maturity bands, credit ratings and sectors.

The Bloomberg AusBond Composite 0+ Yr Index is drawn from the constituents of the Bloomberg AusBond AUD Indices and is made up of bonds from Australian Government, Semi-Government, Supranational and Sovereign, and Corporate entities. The index is a market-weighted benchmark and covers the investable universe of securities with the only screen for inclusion from the parent index being a minimum outstanding face value of \$A 100 million.

Risk management

BlackRock utilises risk management tools and software that allow extensive monitoring and control of risk in the underlying portfolios. Of the tools available, BlackRock's internally-developed 'Aladdin' system is most notable. Aladdin is designed to provide a flexible reporting capability to portfolio managers, allowing them to closely monitor positions while also aligning funds with the majority of BlackRock's operations across all regions.

As the Fund is managed with a passive investment style, Tracking Error is a major consideration in portfolio construction. As such, BlackRock utilises Aladdin to assess key risks of the benchmark, and subsequently the portfolio, with the ultimate goal of minimising the volatility of portfolio returns relative to the benchmark.



BlackRock places significant importance on identifying key risk factors within the target benchmark so that these may be replicated in the portfolio. Given the complexity of this approach, BlackRock employ multi-factor risk models that are capable of conducting risk analysis at the level of granularity demanded by the strategy. Spanning a range of factors such as duration and convexity, these models allow BlackRock to control specific factors while also helping to assess and remove inadvertent biases from the portfolio.

Zenith believes that BlackRock's risk management capability is underpinned by one of the more advanced technology platforms in the market, and further, is complemented by the team's sound understanding of risks associated with managing a passive investment strategy.

Investment fees

	Fund	Sector Average
Total Fees and Costs (RG 97)	0.12% p.a.	0.35% p.a.
Management Fees and Costs	0.12% p.a.	0.34% p.a.
Transaction Costs	0.00% p.a.	0.01% p.a.
Performance fees as at 30 Jun 2023	0.00%	0.00%
Performance fees description	N/A	
Management Cost	0.10% p.a.	0.35% p.a.
Buy / Sell spread	0.05% / 0.05%	0.05% / 0.07%

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 'Australian Fixed Interest - Bonds' funds surveyed by Zenith.

In an absolute context, Zenith considers the Fund's cost structure to be attractive, and in a relative context compared to other index offerings, we believe the Fund's cost structure to be competitive.

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

About the fund manager

Organisation

BlackRock was established in 1988 as the investment management group within the private equity firm Blackstone Group. Following a number of ownership changes, BlackRock merged with Merrill Lynch Investment Management (MLIM) while retaining the BlackRock name. In 2009, BlackRock acquired Barclays Global Investments (BGI) and merged the two businesses. In January 2024, BlackRock also announced that it had entered into an agreement to acquire Global Infrastructure Partners (GIP), the world's largest independent Infrastructure

manager. It is anticipated that the transaction will be completed in the second half of 2024.

BlackRock employs approximately 19,800 staff located in 38 countries, with approximately \$US 10 trillion in funds under management, as at 31 December 2023.

In a global context, BlackRock dedicates significant resources to the management of its range of index-orientated Fixed Income strategies, with passive operations remaining a core business and contributor to overall group earnings. An industry leader within the indexing space, BlackRock enjoys considerable economies of scale, most notably in terms of improved trade execution and cost minimisation. Zenith continues to retain a high regard for BlackRock's capability in this market segment, noting the organisation's well-established record in managing passive style investment strategies.

Within Australia, BlackRock manages a range of active and passive products across Equities, Fixed Income, Cash, Multi-Asset strategies and Property. As at 31 March 2024, there was \$A 27.21 billion in FUM in the BlackRock Australian Fixed Income and Cash strategy, and \$A 3.29 billion in the Fund.

Investment personnel

Name	Title	Industry Experience (yrs)	Tenure (yrs)	Location
Craig Vardy	Head of Australian Fixed Income	31	31	Sydney, Australia
Pavel Pospisil	Portfolio Manager	20	20	Sydney, Australia
Michael Prljaca	Portfolio Manager	19	17	Sydney, Australia
Cameron Garlick	Portfolio Manager	33	23	Sydney, Australia
Dmitri Levachov	Portfolio Manager	15	10	Sydney, Australia

BlackRock's suite of passive Fixed Income products are managed by its Sydney-based Australian Fixed Income team. Led by Head of Australian Fixed Income, Craig Vardy, the team is responsible for a range of strategies including Cash, Index & Inflation, Enhanced Index, Core, Absolute Return and Alternative strategies. The domestic team comprises seven members, with responsibilities divided between portfolio management, credit research and risk management.

Vardy joined BlackRock in 1992 (via its predecessor firm Barclays Global Investors) and has been responsible for a range of Cash and Fixed Income portfolios. In his current position, Vardy is a member of the Asia Pacific Fixed Income Group and retains responsibility for the management of BlackRock's Indexed, Enhanced and ETF Australian Bond portfolios. Zenith has high regard for Vardy's experience and leadership qualities, believing he is strongly positioned to manage a set of passive Fixed Income strategies.

Supporting Vardy in the management of all Cash and Fixed Income portfolios are Portfolio Managers Pavel Pospisil, Michael Prljaca, Cameron Garlick and Dmitri Levachov. Under Vardy's oversight, each manager is responsible for the modelling and execution of portfolio trades as well as monitoring portfolios for



rebalancing purposes. Zenith considers the portfolio managers to be highly experienced, with Levachov sharing co-portfolio management responsibility for the Fund. Vardy and Pospisil retain oversight on a day-to-day basis.

BlackRock's remuneration structure comprises a mix of base salary and discretionary bonus. The incentive component is determined by taking into consideration a mix of individual and group performance measures. Individual success is gauged through a series of qualitative measures together with an overall assessment of team contribution. Group wide components are largely determined by business measures including profitability and segment performance.

An individual's discretionary component will include both short and longer-term components. Short-term components are paid in cash and on a yearly basis. Longer-term components are paid in the form of restricted stock which vests over a three-year period. An individual's longer-term component is likely to be a greater contributor to overall remuneration as they become more senior.

Zenith believes that members of BlackRock's Australian Fixed Income team possess the requisite experience and skills necessary to effectively manage the Fund. Furthermore, given BlackRock's considerable global resourcing and systematic process, we consider key person risk to be negligible.

About the sector

Sector characteristics

The Zenith 'Australian Fixed Interest – Bonds' sector consists of all long-only funds investing in the Australian Fixed Interest market. The sector incorporates both benchmark aware and benchmark unaware strategies. Despite being a fairly competitive sector, the median active Australian Fixed Interest manager has historically struggled to outperform a passive index over the longer term. This can be attributed to the lack of opportunity to add value from active management in the Fixed Interest market, particularly in the very efficient Australian market. Managers typically add value through duration, sector positioning and security selection.

Zenith benchmarks all funds in this space against the Bloomberg AusBond Composite Index, which is reflective of the underlying benchmark used by the majority of managers in this category. The index is market-capitalisation weighted, resulting in those entities with the most issuance receiving the heaviest weightings. Owing to the lack of longer-dated securities, the index has a relatively short duration of approximately 5.9 years (as at 31 March 2023).

The Australian Fixed Interest market, as represented by the Bloomberg AusBond Composite Index, consists of over 700 investment-grade securities (BBB or higher rated) issued by the Commonwealth Government of Australia, State Government authorities and treasury corporations (Semi-Government), Corporations and Asset-Backed Securities. Owing to the increased issuance by government in recent years, the market is dominated by Government and Semi-Government securities, which account for approximately 91% of the market. Furthermore, given the high credit rating afforded to the Commonwealth Government, the market is also dominated by AAA rated securities (approximately 70%).

Sector risks

Funds within the 'Australian Fixed Interest – Bonds' sector are exposed to the following broad risks:

Market risk: Changes in economic, technological, environmental or political conditions and market sentiment may lead to a decline in general security prices and overall market volatility. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

Interest rate risk: Fixed Interest securities are generally sensitive to changes in interest rates. An increase in interest rates may result in a fall in the value of these securities, while a decrease in interest rates can result in an increase in value.

Credit spread risk: In addition to being sensitive to general interest rate changes, non-government securities are also sensitive to changes in credit spreads (commonly the difference in yield between a Government Bond and a Corporate security). A widening of spreads results in a fall in the value of these securities.

Default risk: Given Fixed Interest securities represent loans to borrowers (including governments, banks and companies), there is a risk that these borrowers may default on interest or principal repayments. Default risk is often reflected in credit ratings assigned by various credit agencies, which are subject to change.

Liquidity risk: Fixed Interest markets can experience periods of illiquidity, which can result in difficulties in buying or selling securities without adversely impacting the price.

Derivative risk: Derivatives are commonly employed by Fixed Interest managers to hedge currency and other risks, and/or as an alternative to direct purchases or sales of underlying assets. There are multiple risks associated with the use of derivatives. For example, the value of the derivative may not move in line with the underlying asset, counterparties to the derivative may not be able to meet payment obligations or a particular derivative may be difficult or costly to trade.

Administration and operations

Responsible Entity	BlackRock Investment Management (Australia) Limited
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Zenith rating

Report certification

Date of issue: 13 Jun 2024

Role	Analyst	Title
Analyst	Darryl Ding	Investment Analyst
Sector Lead	Andrew Yap	Head of Multi Asset & Austn. Fixed Income
Authoriser	Bronwen Moncrieff	Head of Research



Association & relationship

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Rating history

As At	Rating
13 Jun 2024	Index Highly Recommended
06 Jun 2023	Index Highly Recommended
31 May 2022	Index Highly Recommended
10 Jun 2021	Index Highly Recommended
28 May 2020	Recommended
30 May 2019	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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