Robeco SDG Credit Income Fund (AUD Hedged) - Class B

ROBECO
The Investment Engineers

Reference Guide

Issue Date 21 September 2021

About this Reference Guide

This Reference Guide ("RG") has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity"). The information in this document forms part of the Product Disclosure Statement ("PDS") for the Robeco SDG Credit Income Fund (AUD Hedged) - Class B ("Fund") dated 21 September 2021.

The information provided in this RG is for general information only and does not take into account your individual objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances.

Updated information

Information in the PDS and this RG is subject to change. Before making an investment in the Fund, you should ensure that you have read the current PDS and RG as at the date of your investment.

You can request a copy of the PDS and RG by calling Robeco Hong Kong Limited on +61 2 8220 9000 or calling Equity Trustees. A paper copy of the updated information will also be provided free of charge on request.

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1. How the Robeco SDG Credit Income Fund (AUD Hedged) works

Investment structure

The Investment Manager will invest all of the assets of the Fund (except for cash of cash equivalents held for liquidity purposes) in the ZBH AUD share class of RobecoSAM SDG Credit Income, a Sub-fund of the Luxembourg domiciled Robeco Capital Growth Funds SICAV ("Underlying Fund"). The Underlying Fund is an actively managed fund that has the flexibility to invest in all fixed income segments and to utilise a broad range of fixed income securities. The Underlying Fund aims to maximise current yield and income and seeks to meet the needs of investors who are targeting a consistent level of income. In addition the Underlying Fund applies a screening process to select issuers that contribute to realising the UN Sustainable Development Goals (SDGs). The methodology used in the screening process assesses the SDG contribution of all companies it invests in to create the fund's investable universe. The Underlying Fund excludes companies that contribute negatively to these goals. The final selection of the securities in the portfolio is based on bottom-up fundamental analysis. Engagement, ESG integration and Robeco's exclusion policy are part of the investment policy.

Fund Valuation

The Fund is normally valued each Business Day and the valuation methodology is set out in the Constitution of the Fund. In the absence of any other determination by the Responsible Entity, the value of an asset will be its market value.

Unit pricing

Unit prices are generally calculated each Business Day based on the NAV of a Fund or the Net Class Value of a class in a Fund for that day (as applicable) and as described in the Constitution.

The Fund uses a forward pricing model. That means that applications to invest or withdraw are processed using unit prices calculated and published after the application or withdrawal has been received. The unit price for a particular Business Day is generally finalised two Business Days after that particular Business Day.

As an example, if the Fund receives your application to invest in the Fund today before the cut-off time, your application will be processed effective on that Business Day at the Application Price for that Business Day. This means you will receive the Application Price calculated for that Business Day.

2. Investing in the Robeco SDG Credit Income Fund (AUD Hedged)

Application cut-off times

If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money:

- before 2pm (Australian Eastern Standard Time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for that Business Day; or
- on or after 2pm (Australian Eastern Standard Time) on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to apply.

Application terms

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application Form.

3. Managing your investment

Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions be changed;
- withdrawing all or part of your investment;
- changing bank account details; and
- enquiring and obtaining copies of the status of your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, claims and demands arising from instructions received from your authorised signatory; and
- you agree that our acting on any instructions received from your authorised signatory shall amount to complete satisfaction of our obligations, even if these instructions were made without your knowledge or authority.

Reports

Investors will be provided with the following reports:

- application and withdrawal confirmation statements;
- transaction statements; and
- (where applicable), distribution and tax statements.

Annual audited financial accounts are available on Equity Trustees' website.

4. Withdrawing your investment

Withdrawal cut-off times

If we receive a withdrawal request:

- before 2pm (Australian Eastern Standard Time) on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for that Business Day; or
- on or after 2pm (Australian Eastern Standard Time) on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to request a withdrawal.

Withdrawal terms

Once we receive your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We may contact you to check your details before processing your withdrawal request but are not obliged to. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.

We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.

When you are withdrawing, you should take note of the following:

- Withdrawals will only be paid to the investor.
- We reserve the right to fully redeem your investment if, as a result of processing your request, your investment balance in the Fund falls below the minimum balance set out in the relevant PDS.
- If we cannot satisfactorily identify you as the withdrawing investor, we may reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.

- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier, email or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.
- You agree that if the payment is made according to these terms, you, and any person claiming on your behalf, shall have no claim against us with regards to such payment.

Withdrawal restrictions

Under the Corporations Act, you do not have a right to withdraw from the Fund if the Fund is illiquid. In such circumstances, you will only be able to withdraw your investment if Equity Trustees makes a withdrawal offer in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

The Fund will be deemed liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, we may at any time suspend consideration of withdrawal requests or defer our obligation to pay withdrawal proceeds if it is not possible, or not in the best interests of investors or former investors for us to do so, due to circumstances outside our control (such as restricted or suspended trading in a Fund asset).

5. Risks of managed investment schemes

The following risks are of a general nature and apply to investments in managed funds and are also applicable to each Fund directly and/or to the relevant Underlying Fund referred to in section 1 above (together, "Underlying Funds"). You must also read the risks specific to the Fund in which you wish to invest. These are disclosed in the relevant PDS.

Key personnel risk

Robeco is currently dependent to some extent upon the expertise of its existing management team, consequently, each Fund's performance could be adversely affected if key members of the team do not continue to provide their services to Robeco.

Emerging Markets Risk

Investments of the Underlying Funds in emerging countries may be subject to potentially higher risks and greater volatility than in developed countries. In addition, many emerging countries have experienced substantial, and in some periods, extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain countries.

The trading and settlement systems in some emerging markets may not be as reliable as those in more developed markets, which may result in delays in realising investments. In addition, market practices in relation to settlement of securities transactions and custody of assets in such markets could provide a material risk to the Fund. Furthermore, due to the local postal and banking systems, no guarantee can be given that all entitlements attaching to underlying instruments of the Underlying Fund (including in relation to dividends) can be realised.

In emerging and less developed markets the legal, judicial and regulatory infrastructure is still developing and there may be legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors and you should therefore ensure that, before investing, you understand the risks involved and are satisfied that despite the substantial risk of loss of investment, your investment is suitable as part of your portfolio.

More specifically, you should consider the following risk warnings because the underlying investments are in emerging markets or newly industrialised countries:

- economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal/regulatory/market reforms. Assets could be compulsorily acquired without adequate compensation;
- the interpretation and application of decrees and legislative acts can be often contradictory and uncertain, particularly in respect of matters relating to taxation;
- the accounting and audit systems may not accord with international standards;
- conversion into a foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed. The value of the currency in some markets, in relation to other currencies, may decline and as such the value of the investment is adversely affected;
- the securities markets of some countries lack the liquidity, efficiency, regulatory and supervisory controls of more developed markets and lack of liquidity may adversely affect the value or ease of disposal of assets; and
- in some markets, there may be no secure method of delivery against payment which would avoid exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

Risk of Russian and Eastern European markets

In addition to the risks referred to above with regard to emerging markets, there are specific risks attached to the investments of the Underlying Funds in Russian and Eastern European markets. These risks and how they apply specifically to Russian and Eastern European markets are explained below.

You should be aware that markets in such countries may involve specific risks relating to the administrative processing and custody of securities, as well as the registration of securities, since registrars are not always subject to effective government control. Securities in such markets (including Russian securities) may not have been physically placed in custody with the custodian or its local (Russian) agents. Neither the custodian of the Underlying Fund nor the local agents may handle physical custody or custody in the customary manner. The custodian of the Underlying Fund can only be held responsible for its own negligence or intentional mismanagement, or that of the local (Russian) agents, and not for loss due to liquidation, bankruptcy, negligence or intentional mismanagement by a registrar. In the case of such a loss, the Fund or the Underlying Fund will have to enforce its rights directly against the issuing institution and/or its appointed registrar.

Chinese A-shares

In addition to the risks referred to above with regard to emerging markets, there are specific risks attached to the investments of the Underlying Funds in Chinese A-shares. These risks and how they apply specifically to Chinese markets are explained below.

The Underlying Funds might invest in China A-shares via RMB Qualified Foreign Institutional Investor (RQFII) and/or Qualified Foreign Institutional Investor (QFII) and/or Stock Connect programmes which may entail additional clearing and settlement, regulatory, operational and counterparty risks.

Investments in China A-shares using QFII and/or RQFII carry increased risks. The Underlying Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the People's Republic of China (PRC), which are subject to change and such change may have potential retrospective effect. Clearing and settlement risk and counterparty risk arises from transactions taking place free-of-payment and being only done through a single broker per market. If there is insufficient QFII and/or RQFII quota allocated for the Underlying Fund to invest in China A-shares, the Underlying Fund's ability to access the China A-shares market will be adversely affected and hence the Underlying Fund's ability to achieve its investment objective could be negatively affected. The Underlying Funds may suffer substantial losses in case the approval of the QFII and/or RQFII Holder (Robeco Institutional Asset Management B.V. / Robeco Luxembourg S.A.) is being revoked/terminated or otherwise invalidated as an Underlying Fund may be prohibited from trading the relevant securities and repatriation of the Underlying Fund's monies, or if any of the key operators or parties (including QFII and/or RQFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

Custodian risk

The financial instruments in the securities portfolio of a Fund (or if applicable in the securities portfolio of the Underlying Fund) are placed in custody with a reputable bank (custodian). The Fund (or if applicable the Underlying Fund) may run the risk that the assets placed in custody may be lost as a result of the liquidation, insolvency, bankruptcy, negligence of, or fraudulent activities by, the (sub-) custodian appointed by it.

Execution risk

In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of securities or, as the case may be, sale proceeds.

Small company risk

A Fund (or if applicable the Underlying Fund) may invest in the stocks of companies with small market capitalisations, which tend to be less liquid and more volatile than stocks of companies with larger market capitalisations. These companies may also have limited product lines, markets or financial resources or may depend on a few key employees.

Highly volatile markets risk

The prices of financial instruments in which a Fund (or if applicable the Underlying Fund) may invest can be highly volatile. Price movements of forward, futures and other derivative contracts in which the Underlying Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Fund (or if applicable the Underlying Fund) is also subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearing house.

Derivative risk

A Fund (or if applicable the Underlying Fund) may use derivatives. Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. Risks associated with using these tools might include the values of the derivative failing to move in line with the underlying asset, potential illiquidity of the derivative and counterparty risk (this is where the counterparty to the derivative contract cannot meet its obligations under the contract). The aim is to keep derivative risk to a minimum by constantly monitoring a Fund's use of derivatives, by making sure that its obligations are met with respect to the derivative contracts and by entering into derivative contracts with reputable counterparties.

Counterparty risk

A counterparty of a Fund (or if applicable the Underlying Fund) may fail to fulfil its obligations towards the Fund (or if applicable the Underlying Fund). This risk is limited as much as possible by taking every possible care in the selection of counterparties.

In general, transactions via other channels than the official market are subject to fewer regulations and less supervision than transactions on official and regulated markets. Derivative financial instruments such as currencies, forward contracts, spot and option contracts, credit-default swaps, total-return swaps and certain currency options are traded mainly via the unofficial channels. Furthermore, much of the protection which investors have on certain regulated markets, such as the performance guarantee of a market's clearing institute, may not be available for transactions via unofficial markets. For transactions on unofficial markets, the Fund or Underlying Fund runs the risk that a direct counterparty will not be able to fulfil the obligations attached to the transactions and that the Fund (or, if applicable, the Underlying Fund) will suffer a loss as a result.

For derivative instruments traded on official markets (such as options and futures) for which a Fund or Underlying Fund is not an affiliated institution, the services of an affiliated third party will be used for clearing. This affiliated institution is required to deposit collateral. Because the affiliated institution charges a risk premium and deposits the collateral as a net amount from all the clients for whom it performs the clearing, the amount of collateral deposited by the Fund or Underlying Fund is higher than the amount of collateral deposited by the affiliated institution. As a result of this, the Fund or Underlying Fund suffers counterparty risk with regard to the affiliated institution.

A Fund (or if applicable the Underlying Fund) will only enter into transactions via an unofficial channel with counterparties deemed creditworthy at the moment of entering into the transaction. The Fund (or if applicable the Underlying Fund) may reduce the risk attached to such transactions by receiving collateral from certain counterparties in accordance with existing laws and regulations. The measures taken by the Fund (or if applicable the Underlying Fund) to reduce the risk of a counterparty failing to fulfil its obligations cannot guarantee, however, that a counterparty will not default and that the Fund (or if applicable the Underlying Fund) will not be damaged as a result.

Fixed income securities risk

A Fund or the Underlying Fund may invest in fixed income securities. The risks associated with investing these securities include, but are not limited to, credit risk, interest rate risk, income risk, issuer risk and spread risk.

Credit risk

Investments in fixed income securities are subject to credit risks. Lower-rated or unrated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated or unrated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which react primarily to fluctuations in the general level of interest rates. There are fewer Investors in lower-rated or unrated securities, and it may be harder to buy and sell securities at an optimum time. There is also a risk that the bond issuer will default in the payment of its principal and/or interest obligations. ''Investment grade'' debt securities and instruments may be subject to the risk of being downgraded to securities/instruments which are rated below ''Investment grade'' and/or have a lower credit rating. The value of these debt securities may be adversely affected in case of such a downgrade.

Credit rating risk

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

Interest rate risk

Investments in fixed income securities are subject to interest rate risk. In general, prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise

Securities lending risk

An Underlying Fund may engage in securities lending. In the case of financial-instrument lending transactions, the risk exists that the recipient cannot comply with its obligation to return the lent financial instruments on the agreed date or furnish the requested collateral. The lending policy of the Underlying Funds is designed to control these risks as much as possible.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by an Underlying Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Underlying Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of the Underlying Fund to meet delivery obligations under security sales.

Tax risk

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries that a Fund (or if applicable the Underlying Fund) invests or may invest in in the future, is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result the Fund could be exposed to additional taxation in such countries that is not anticipated either at the date of this PDS or when investments are made, valued or disposed of.

Inflexibility risk

As Funds (or if applicable the Underlying Funds) have an open-ended character, they can in theory be confronted at any time with a large number of redemptions. In such situations, investments must be sold in the short term to meet the repayment obligation to the redeeming investors. This may be detrimental to the results of the Fund (or if applicable the Underlying Fund).

Risk of investments in other funds

A Fund depends on the quality of services and the risk profile of the Underlying Fund in which they invest. This risk is limited by means of a careful selection of the Underlying Fund in which the Fund invests.

6. Additional information on fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Robeco SDG Credit Income Fund (AUD Hedged) - Class B		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs[1]		
Management fees and costs The fees and costs for managing your investment	0.66% of the NAV of the Class	The management fees component of management fees and costs are accrued daily and paid from the Class monthly in arrears and reflected in the unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Class as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Not applicable	Not applicable
Transaction costs The costs incurred by the scheme when buying or selling assets	0.00% of the NAV of the Class	Transaction costs are variable and deducted from the Class as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread. Any transaction costs at the interposed vehicle level are reflected in the value of the Class's investment in the relevant interposed vehicle, and therefore reflected in the unit price.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Not applicable	Not applicable
Contribution fee The fee on each amount contributed to your investment	Not applicable	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	0.23% upon entry and nil upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption.
Withdrawal fee The fee on each amount you take out of your investment	Not applicable	Not applicable

Robeco SDG Credit Income Fund (AUD Hedged) - Class B		
Type of fee or cost	Amount	How and when paid
Exit fee The fee to close your investment	Not applicable	Not applicable
Switching fee The fee for changing investment options	Not applicable	Not applicable

[1] All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

Additional Explanation of Fees and Costs

Management fees and costs

The management fees and costs include amounts payable for administering and operating the Fund, investing the assets of the Fund, expenses and reimbursements in relation to the Fund and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

The management fees component of management fees and costs of 0.65% p.a. of the NAV of the Class is payable to the Responsible Entity of the Fund for managing the assets and overseeing the operations of the Fund. The management fees component is accrued daily and paid from the Class monthly in arrears and reflected in the unit price. As at the date of this PDS, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

The indirect costs and other expenses component of 0.01% p.a. of the NAV of the Class may include other ordinary expenses of operating the Fund, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Fund invests. The indirect costs and other expenses component is variable and reflected in the unit price of the Class as the relevant fees and costs are incurred. They are borne by investors, but they are not paid to the Responsible Entity or Investment Manager. The indirect costs and other expenses component is based on the relevant costs incurred during the financial year ended 30 June 2021.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on Equity Trustees' website at www.eqt.com.au/insto where they are not otherwise required to be disclosed to investors under law.

Transaction costs

In managing the assets of the Fund, the Fund may incur transaction costs such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold. Transaction costs also include costs incurred by interposed vehicles in which the Fund invests (if any), that would have been transaction costs if they had been incurred by the Fund itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Fund are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Fund.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Class will incur when buying or selling assets of the Class. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the Class as part of an application and the Sell Spread is left in the Class as part of a redemption and not paid to Equity Trustees or the Investment Manager. The estimated Buy/Sell Spread is 0.23% upon entry and nil upon exit. The dollar value of these costs based on an application or a withdrawal of $10,000 is $23 (application) and $0 (withdrawal) for each individual transaction. The Buy/Sell Spread can be altered by the Responsible Entity at any time and www.eqt.com.au/insto will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Class's assets and are reflected in the Class's unit price as an additional cost to the investor, as and when they are incurred.

The gross transaction costs for the Class are 0.13% p.a. of the NAV of Class, which is based on the relevant costs incurred during the financial year ended 30 June 2021.

However, actual transaction costs for future years may differ.

Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is 2% of the GAV of the Class. However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Fund on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients. Please contact the Investment Manager on +61 2 8220 9000 for further information.

Taxation

Please refer to Section 7 of the Product Disclosure Statement and Section 5 of this Reference Guide for further information on taxation.

7. Other important information

Taxation

The following information summarises some of the Australian taxation issues you may wish to consider before making an investment in the Fund and assumes that you hold your investment in the Fund on capital account and are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. The information should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ.

A number of tax reform measures are currently under review by the Australian Government. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

General

The Fund is an Australian resident trust for Australian tax purposes. Therefore, the Fund is required to determine its net income (taxable income) for the year of income. On the basis that investors are presently entitled (which is the intention of Equity Trustees) to the net income of the Fund (including net taxable capital gains) or will be attributed their share of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund and the Fund is not a public trading trust, the Fund should be treated as a flow-through trust for tax purposes. This means that investors should be taxed on their share of the Fund's net taxable income or the amount attributed to them, and the Fund should not be subject to Australian income tax.

In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the tax loss to investors. However, the tax loss may be carried forward by the Fund for offset against taxable income of the Fund in subsequent years, subject to the operation of the trust loss rules.

Attribution Managed Investment Trust ("AMIT") – core rules

The Fund may qualify as an eligible Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby Equity Trustees as the Responsible Entity of the Fund attributes amounts of trust components of a particular character to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

Fair and reasonable attribution: Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

Unders or overs adjustments: Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

Cost base adjustments: Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

Large withdrawals: In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

Penalties: In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

The new rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where the Fund does not elect into the AMIT regime, or has made the election but the election is not effective for the income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not generally pay tax on behalf of its investors and instead, investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

Deemed Capital Gains Tax ("CGT") Election

Eligible managed investment trusts ("MITs") may make an election to apply a deemed capital account treatment for gains and losses on disposal of certain eligible investments (including equities and units in other trusts but excluding derivatives, debt securities and foreign exchange contracts). Where the election is made the Fund should hold its eligible investments on capital account and gains/(losses) from the disposal of eligible investments should be treated as capital gains/(losses). Capital gains arising on the disposal of eligible investments held for 12 months or greater may be eligible to be treated as discount capital gains.

Where the CGT election is not made, the Fund should hold its eligible investments on revenue account and gains/(losses) from the disposal of eligible investments should be treated as revenue gains or losses.

Controlled Foreign Company ("CFC") Provisions

There are certain tax rules (i.e. the CFC provisions) which may result in assessable income arising in the Fund in relation to investments in foreign equities, where certain control thresholds are met. If such interests were to be held at the end of the income year, the taxable income of the Fund may include a share of net income and gains (i.e. CFC attributable income) from such investments.

Taxation of Financial Arrangements ("TOFA")

The TOFA rules may apply to certain "financial arrangements" held by the Fund. In broad terms, the TOFA regime seeks to recognise "sufficiently certain" returns on certain financial arrangements on an accruals basis for tax purposes rather than on a realisation basis. Where returns from derivative instruments are not "sufficiently certain" they will continue to be recognised on a realisation basis, unless specific tax timing elections are made.

Taxation Reform

The tax information included in this PDS is based on the taxation legislation and administrative practice as at the issue date of this PDS, together with proposed changes to the taxation legislation as announced by the Government. However, the Australian tax system is in a continuing state of reform, and based on the Government's reform agenda, it is likely to escalate rather than diminish. Any reform of a tax system creates uncertainty as to the full extent of announced reforms, or uncertainty as to the meaning of new law that is enacted pending interpretation through the judicial process. These reforms may impact on the tax position of the Fund and its investors. Accordingly, it will be necessary to closely monitor the progress of these reforms, and investors should seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

Tax File Number ("TFN") and Australian Business Number ("ABN")

It is not compulsory for an investor to quote their TFN or ABN. If an investor is making this investment in the course of a business or enterprise, the investor may quote an ABN instead of a TFN. Failure by an investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus the Medicare Levy, on gross payments including distributions or attribution of income to the investor. The investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

By quoting their TFN or ABN, the investor authorises Equity Trustees to apply it in respect of all the investor's investments with Equity Trustees. If the investor does not want to quote their TFN or ABN for some investments, Equity Trustees should be advised.

GST

The Fund is registered for GST. The issue or withdrawal of units in the Fund and receipt of distributions are not subject to GST.

The Fund may be required to pay GST included in management and other fees, charges, costs and expenses incurred by the Fund. However, to the extent permissible, the Responsible Entity will claim on behalf of the Fund a proportion of this GST as a reduced input tax credit. Unless otherwise stated, fees and charges quoted in this PDS are inclusive of GST and take into account any available reduced input tax credits. The Fund may be entitled to as yet undetermined additional input tax credits on the fees, charges or costs incurred. If the Responsible Entity is unable to claim input tax credits on behalf of the Fund, the Responsible Entity retains the ability to recover the entire GST component of all fees and charges.

The impact of GST payments and credits will be reflected in the unit price of the Fund. Investors should seek professional advice with respect to the GST consequences arising from their unit holding.

Australian Taxation of Australian Resident Investors

Distributions

For each year of income, each Australian resident investor will be required to include within their own tax calculations and tax return filings the assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them by Equity Trustees as the Responsible Entity of the Fund.

The tax consequences for investors in the Fund depends on the tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) of the Fund attributed to them.

Investors will receive an Annual Tax Statement (or an "AMMA" for an AMIT) detailing all relevant taxation information concerning attributed amounts and cash distributions, including any Foreign Income Tax Offset ("FITO") and franking credit entitlements, returns of capital, assessable income, and any upwards or downwards cost base adjustment in the capital gains tax cost base of their units in the Fund (in the case of an AMIT).

An investor may receive their share of attributed tax components of the Fund or net income in respect of distributions made during the year or where they have made a large withdrawal from the Fund, in which case their withdrawal proceeds may include their share of net income or attributed tax components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits). In addition, because Australian investors can move into and out of the Fund at different points in time, there is the risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

Foreign Income

The Fund may derive foreign source income that is subject to tax overseas, for example withholding tax. Australian resident investors should include their share of both the foreign income and the amount of the foreign tax withheld in their assessable income. In such circumstances, investors may be entitled to a FITO for the foreign tax paid, against the Australian tax payable on the foreign source income. To the extent the investors do not have sufficient overall foreign source income to utilise all of the FITOs relevant to a particular year of income, the excess FITOs cannot be carried forward to a future income year.

Disposal of Units by Australian Resident Investors

If an Australian resident investor transfers or redeems their units in the Fund, this may constitute a disposal for tax purposes depending on their specific circumstances.

Where an investor holds their units in the Fund on capital account, a capital gain or loss may arise on disposal and each investor should calculate their capital gain or loss according to their own particular facts and circumstances. As noted above, proceeds on disposal may include a component of distributable income. In calculating the taxable amount of a capital gain, a discount of 50% for individuals and trusts or 33 & 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more. No CGT discount is available to corporate investors.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the investor may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

The discount capital gains concession may be denied in certain circumstances where an investor (together with associates) holds 10% or more of the issued units of the Fund, the Fund has less than 300 beneficiaries and other requirements are met. Investors who together with associates are likely to hold more than 10% of the units in the Fund should seek advice on this issue.

Australian Taxation of Non-Resident Investors

Tax on Income

The Fund expects to derive income which may be subject to Australian withholding tax when attributed by Equity Trustees as the Responsible Entity of the Fund to non-resident investors.

Australian withholding tax may be withheld from distributions of Australian source income and gains attributed to a non-resident investor. The various components of the net income of the Fund which may be regarded as having an Australian source include Australian sourced interest, Australian sourced other gains, Australian sourced dividends and CGT taxable Australian property.

We recommend that non-resident investors seek independent tax advice before investing, taking into account their particular circumstances and the provisions of any relevant Double Taxation Agreement/Exchange of Information Agreement ("EOI") between Australia and their country of residence.

Disposal of Units by Non-Resident Investors

Based on the Fund's investment profile, generally non-resident investors holding their units on capital account should not be subject to Australian CGT on the disposal of units in the Fund unless the units were capital assets held by the investor in carrying on a business through a permanent establishment in Australia. Australian tax may apply in certain circumstances if the non-resident holds their units on revenue account. CGT may also apply in some cases where the Fund has a direct or indirect interest in Australian real property. We recommend that non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

Your privacy

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Fund, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to "opt out" of such communications by contacting us using the contact details below.

In addition to the above information, Equity Trustees' Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of Equity Trustees' Privacy Policy are available at www.eqt.com.au. You can also request a copy by contacting Equity Trustees' Privacy Officer on +61 3 8623 5000 or by email to privacy@eqt.com.au.

The Constitution

The Fund is governed by a constitution that sets out the Fund's operation (the "Constitution"). The Constitution, together with the Fund's PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Fund. If you invest in the Fund, you agree to be bound by the terms of the Fund's PDS and the Fund's Constitution. You can request a copy of the Constitution free of charge from Equity Trustees. Please read these documents carefully before investing in the Fund.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF")

Australia's AML/CTF laws require Equity Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors (including beneficial owner information) in the Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

Equity Trustees shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

Indirect Investors

You may be able to invest indirectly in the Fund via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying the PDS. This will mean that you are an Indirect Investor in the Fund and not an investor or member of the Fund. Indirect Investors do not acquire the rights of an investor as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operator's application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the IDPS Guide or other disclosure document issued by the IDPS Operator.

Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor of the Fund on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

Foreign Account Tax Compliance Act ("FATCA")

In April 2014, the Australian Government signed an intergovernmental agreement ("IGA") with the United States of America ("U.S."), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office ("ATO"). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

Common Reporting Standard ("CRS")

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

8. Glossary

ATO

Australian Taxation Office.

AUSTRAC

Australian Transaction Reports and Analysis Centre.

Bottom-up approach

This approach focuses on the analysis of individual stocks. In bottom-up investing, therefore, the investor focuses his or her attention on a specific company rather than on the industry in which that company operates or on the economy as a whole.

Business Day

A day other than Saturday or Sunday on which banks are open for general business in Sydney and the Underlying Fund in Luxembourg is open for transactions.

CDX

Credit Default Swap Index

ESG

ESG means using Environmental, Social and Governance factors to evaluate companies and countries on how far advanced they are with sustainability.

GST

Goods and Services Tax.

Hedged

"Hedged" means in relation to a Fund Currency hedging transactions to preserve, to the extent possible, the value of the net assets in AUD by minimising the effect of fluctuations between the currencies, with a substantial weight, in which the assets of the portfolio of the Fund are denominated, and the AUD.

IDPS

Investor-Directed Portfolio Service or investor-directed portfolio-like managed investment scheme. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers. In New Zealand, the IDPS Operator needs to be licensed as a Discretionary Investment Management Service provider.

IDPS Guide

The terms and conditions of an IDPS issued by the IDPS Operator.

IDPS Operator

The entity responsible for managing an IDPS.

Indirect Investors

Individuals who invest in a Fund through an IDPS.

NAV

Net Asset Value (that is, the value of the assets less liabilities).

Net Class Value

Value of the assets of the class less liabilities of the class.

Retail Client

Persons or entities defined as such under section 761G of the Corporations Act.

RITC

Reduced Input Tax Credit. Equity Trustees will apply for reduced input tax credits where applicable to reduce the cost of GST to a Fund.

US Person

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

(i) any citizen of, or natural person resident in, the US, its territories or possessions; or

(ii) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(iii) any agency or branch of a foreign entity located in the US; or

(iv) a pension plan primarily for US employees of a US Person; or

(v) a US collective investment vehicle unless not offered to US Persons; or

(vi) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(vii) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(viii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(ix) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

We, us, Responsible Entity

Refers to Equity Trustees Limited as responsible entity of the Fund.

Wholesale Client

Persons or entities defined as such under section 761G of the Corporations Act.

You, Your

Refers to an investor