

# **Federated Hermes Global Equity Fund**

## **Additional Information Booklet**

ARSN: 693 860 856 APIR: PIM8016AU Issue Date: 19 May 2026

## Important notes

This Additional Information Booklet (**AIB**), forms part of and should be read together with the Product Disclosure Statement (**PDS**) dated 7 May 2026 and is issued by The Trust Company (RE Services) Limited (**Responsible Entity, we, us, our**) ABN 45 003 278 831 AFSL 235 150 as the responsible entity for the Federated Hermes Global Equity Fund ARSN 693 860 856 APIR Code PIM8016AU v(**Fund**).

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Terms defined in the PDS have the same meaning in this AIB unless otherwise defined in this AIB or the context requires otherwise.

You can access these documents free of charge by contacting the Investment Manager or via the Federated Hermes website at <https://www.federatedhermes.com/au>. You can also contact your financial adviser or if you invest through an Investor Service, you should contact the operator of the Investor Service for information on how you may invest in the Fund.

Information in this AIB and in the PDS, including terms and conditions, is subject to change from time to time. Information that is not materially adverse may be updated via changes on the Federated Hermes website at <https://www.federatedhermes.com/au>. You may also request a paper or electronic copy of any updated information to be sent to you, free of charge by contacting the Investment Manager. This information can also be obtained (if relevant) by contacting the operator of your Investor Service.

We reserve the right to withdraw or change any terms and conditions of the offer made under the PDS and this AIB and all associated disclosure documents and will notify unitholders of any changes as required by law.

The information provided in the PDS and this AIB is general information only and does not take into account your objectives, financial situation or needs. We recommend you seek financial advice tailored to your personal circumstances before making an investment decision to help you consider the appropriateness of the information in the PDS and this AIB having regard to your own objectives, financial situation and needs, as well as to assist with determining whether you form part of the target market of the Fund.

## Contact details

If you have any questions or would like a free copy of the PDS and the AIB or any updates, any information applied, adopted or incorporated by reference in the PDS or this AIB or more information about the Fund you may contact the Responsible Entity or Investment Manager as follows:

### Responsible Entity

**Phone:** +61 (02) 9229 9000

**Mail:** The Trust Company (RE Services) Limited  
ABN 45 003 278 831 Level 14, 123 Pitt Street,  
Sydney, NSW, 2000

### Investment Manager

**Mail:** Hermes Investment Management Limited  
Sixth floor, 150 Cheapside,  
London, EC2V 6ET, United Kingdom

### Website:

<https://www.federatedhermes.com/au>

**Email:** [ausales@federatedhermes.com](mailto:ausales@federatedhermes.com)

## 1. About The Trust Company (RE Services) Limited

There is no additional information in this section. Refer to section 1 'About The Trust Company (RE Services) Limited' in the PDS for information in relation to the Responsible Entity.

## 2. How the Fund works

This section should be read together with section 2 'How the Fund Works' in the PDS.

### Applications and withdrawals

#### Direct investors

##### Application

We reserve the right to reject any application without giving a reason. If for any reason we reject or are unable to process your application to invest in the Fund, we will return your application money to you, subject to regulatory considerations, less any taxes or bank fees in connection with the application.

Application money will be held in a non-interest bearing bank account until invested in the Fund or returned to you. As such, application monies will not bear any interest.

Under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*, applications made without providing all the information and supporting identification documentation requested cannot be processed until all the necessary information has been provided. As a result, delays in processing your application may occur.

##### Additional applications

You can make additional investments in units in the Fund. No minimum additional investment requirement applies.

This is done by completing and mailing the Additional Application Form and then by transferring your additional investment amount to the bank account shown on the form.

##### Withdrawals

Redemptions will be paid directly to your nominated bank account. This account must be in the name of the registered unitholder and held at a branch of an Australian domiciled bank. Redemption payments will not be made to third parties.

We may refuse to comply with any request if you do not provide satisfactorily identification to confirm yourself as the unitholder.

Once your redemption request is received, your instruction may be acted on without further enquiry if the instruction bears your account number or unitholder details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We and the Administrator reserve the right to ask for the production of original documents or other information to authenticate the communication. In the case of mis-receipt or corruption of any message, you will be required to re-send the documents. Please note that messages sent via email must contain a duly signed document as an attachment.

No redemption proceeds will be paid unless the Administrator has received your redemption request signed by you or your authorised signatory. We will not be, and the Administrator will not be, responsible for any mis-delivery or non-receipt of any email. Emails sent to the Administrator shall only be effective when actually received by the Administrator.

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

- We are not responsible or liable if you do not receive, or are late in receiving, any redemption money that is paid according to your instructions.
- We may contact you to check your details before processing your redemption form. This may cause a delay in finalising payment of your redemption money. No interest is payable for any delay in finalising payment of your redemption money.
- If we cannot satisfactorily identify you as the withdrawing unitholder, we may refuse or reject your redemption request or payment of your redemption proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As a unitholder who is withdrawing, you agree that any payment made according to instructions received by post or courier or email shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.
- Where a redemption is accepted, the Constitution allows us to make payment

up to 21 days after we accept a request and the redemption amount is determined.

### **Indirect investors**

You can invest in or withdraw all or part of your investment in the Fund by directing the operator of your Investor Service to lodge an investment application or withdrawal request, as applicable, with us.

Please contact the operator of your Investor Service for details about their requirements for:

- any minimum investment and withdrawal amounts;
- processing requirements and timeframes;
- distribution payment options;
- identification verification procedures; and
- privacy policy.

You should also use any relevant application, withdrawal and other forms provided by the operator of your Investor Service.

### **Restrictions on applications and withdrawals**

In accordance with the Constitution, we may determine that it is desirable for the protection of the Fund or in the interests of the unitholders (as a whole) to suspend the issue or redemption of units or the calculation of application unit prices or withdrawal unit prices whilst:

- any relevant financial, stock, bond, note, derivative or foreign exchange market is closed;
- trading on any such market is restricted;
- an emergency (including an emergency caused by a mechanical or electronic malfunction) exists as a result of which it is not reasonably practicable for us to acquire or dispose of the assets of the Fund or to determine fairly the application unit price or the withdrawal unit price;
- any state of affairs exists as a result of which it is not reasonably practicable for us to acquire or dispose of the assets of the Fund or to determine fairly the application unit price or the withdrawal unit price; or
- any moratorium declared by a government of any country in which a significant proportion of the Fund is invested exists.

The Corporations Act also contains provisions that may restrict withdrawals from the Fund in the event that the Fund becomes "not liquid" as is defined in

the Corporations Act.

### **Compulsory redemption**

We may redeem some or all of a unitholder's units in accordance with the Constitution or as permitted by law.

### **Transfers**

Unitholders may transfer units by completing a transfer form available from the Administrator and paying any relevant costs associated with the transfer. We may refuse to register a transfer without providing any reason. In accordance with the Constitution, where we refuse to register a transfer, we may compulsorily redeem those units as if a withdrawal request had been lodged in respect of them.

### **Distributions**

A unitholder's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the unitholder at the end of the distribution period. Distributions are not pro-rated according to the time that unitholders have held their Units.

It is intended that the Fund will distribute income annually.

The distribution for the Fund is composed of income earned by the Fund, less expenses incurred by the Fund (such as management costs) plus net capital gains (if any). If there is no net income or net capital gains earned in a particular distribution period, the Fund may not pay a distribution in respect of that distribution period.

Distributions from the Fund could differ to the taxable income of the Fund. Refer to section 7 How managed investment schemes are taxed of this AIB for more information on the Australian tax treatment of distributions.

### **Reinvestment of distributions**

The Constitution permits the Responsible Entity to allow for distributions to be reinvested as additional units in the Fund.

### **Direct investors**

Unless an election is made to reinvest, distributions will be made in Australian dollars by cash payment to your nominated bank account. You may provide bank details by submitting a form which is available from the

Unit Registry.

Distribution reinvestment is offered on the following basis:

- at the time the price of the units allotted is set, the Responsible Entity will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the units if the information were publicly available;
- the right to acquire, or require the Responsible Entity to issue, units will be offered to all unitholders of the same class;
- every unitholder to whom the right is offered is given a reasonable opportunity to accept the offer; and
- units will be issued on the terms disclosed to you and will be subject to the same rights as units issued to all unitholders of the same class as you.

An election to reinvest any distribution must be made by the election date announced by the Responsible Entity in respect of each relevant distribution.

The reinvestment of distributions will be administered in Australian dollars and all residual amounts will be held in Australian dollars. The issue of units in respect of a reinvested distribution will be at a unit price excluding the most recent distribution as at the last day of the calendar month of the distribution period. There is no buy/sell spread applied to the reinvestment of distributions.

#### **Changing your distribution preference**

Direct investors can elect to have their distributions reinvested in additional units and change their preference to cash distributions by submitting a form available from the Unit Registry on its website at

<https://www.apexgroup.com/fundsolution/transfer-agency-services/registryaustralia/registry-forms/> or emailing

[registry@apexgroup.com](mailto:registry@apexgroup.com).

#### **Cash distributions**

Distribution payments made in cash to unitholders will be made via direct credit into a nominated Australian financial institution account. The Responsible Entity will not pay any distributions by cheque.

The Responsible Entity is adopting direct crediting of payments as this is a more secure and convenient

way for you to receive your distribution payment. The benefits include distributions credited to your account on the payment date as cleared funds, removal of risk associated with loss, fraud and theft of cheques, and cost of savings for the Fund, which benefits all unitholders.

Please note the Responsible Entity may withhold amounts from the distribution payments to satisfy any taxation and other regulations.

If you have not made an election to reinvest your distribution and you have not provided your Australian financial institution account details, your distribution payment will be set aside and retained on your behalf in \$AUD in a non-interest bearing account. In Australia, this will be subject to the obligations in respect of unclaimed money.

To avoid your distribution payment being delayed, your instructions must be received before the nominated record date.

#### **Indirect investors**

Please refer to the operator of your Investor Service for details of any distribution payment options.

### **3. Benefits of investing in the Fund**

There is no additional information in this section. Refer to section 3 'Benefits of investing in the Fund' in the PDS.

### **4. Risks of managed investment schemes**

This section should be read together with section 4 'Risks of managed investment schemes' in the PDS.

#### **Cyber risk**

The Responsible Entity, the Investment Manager and their service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require

gaining unauthorised access, such as causing denial-of-service attacks on website (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Fund or its service providers such as the Responsible Entity and the Investment Manager and any financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the ability to calculate its NAV, impediments to trading, the inability of unitholders to transact business, violations of applicable privacy, data security or other laws, regulatory fines and penalties, reputational damage, reimbursement or other compensation or remediation costs, legal fees; or additional compliance costs. Similar adverse consequences could result in cyber security incidents affecting issuers of securities in which the Fund invests, counterparties with which the Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

**Market risk**

The Investments of the Fund are subject to general economic conditions, normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation in value will occur. Investment markets can be volatile and securities prices can change substantially due to various factors including, but not limited to, economic growth or recession, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. Even if general economic conditions do not change, the value of an Investment in a Fund could decline if the particular industries, sectors or companies in which a Fund invests do not perform well or are adversely affected by events. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Since investment in securities may involve currencies other than the base currency of a Fund, the value of a Fund’s assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage.

Further, legal, political, regulatory and tax changes may also cause fluctuations in markets and securities prices.

**Key Personnel risk**

The success of a Fund depends upon the ability of key personnel responsible for developing and implementing investment strategies that achieve a Fund’s investment objective. The operations of the Fund are also substantially dependent upon the skill, judgment and expertise of certain individuals undertaking the functions of the Responsible Entity and the Investment Manager. Personnel changes (including the removal, death or a permanent incapacity of a persons involved in undertaking these activities), can adversely impact the Fund and its performance.

**5. How we invest your money**

If This section should be read together with section 5 ' How we invest your money ' in the PDS.

**Risk Level**

The Fund has a risk band of 5.

The risk level represents the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period, as follows.

<b>Risk band</b>	<b>Risk label</b>	<b>Estimated number of negative annual returns over any 20 year period</b>
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

The SRM is not a complete assessment of all

forms of investment risk, for instance it does not detail what the size of the negative return could be, or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.

The SRM for the Fund may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in its calculation and future changes to asset allocation

### **Investment objective**

The investment objective of the Fund is to outperform the Benchmark over a five-year period (after the deduction of management fees, expense recoveries and taxation), by investing in a portfolio of equity securities quoted or traded on regulated markets worldwide. The Fund may not be successful in meeting this objective.

The investment objective is an indication of what the Fund aims to achieve over the longer term on the assumption that global equity markets remain relatively stable throughout the investment term. It is not intended to be a forecast. Capital, returns and income are not guaranteed.

The Fund will seek to achieve its investment objective over a rolling period of any five years, by investing at least 90% in equity securities that are component securities of the MSCI World ex Australia Index (net) (Benchmark), or equity securities of companies listed in the countries referenced in the Benchmark.

### **Labour, environmental, social and ethical considerations**

The Responsible Entity does not take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments of the Fund. However, the Responsible Entity has delegated investment management decisions for the Fund to the Investment Manager who takes certain ESG factors into account alongside other financial factors when selecting, retaining or realising investments of the Fund. Consideration of ESG factors does not imply that the Fund is marketed as an ESG or sustainable product. The Fund is not designed for investors who are looking for funds that meet specific ESG goals and does not have any particular ESG targets or

weighting system for investment selection.

ESG is systematically assessed in the Investment Manager's investment approach for the Fund, not for ethical reasons, but from the Investment Manager's belief that ESG is additive to long-term returns. This is based on the Investment Manager's research that shows value can be added by avoiding companies with unmanaged or escalating issues or identifying companies actively improving their ESG profiles. The Investment Manager may periodically modify, add to or remove some of these considerations.

### **QESG scoring framework**

The Investment Manager integrates ESG in the investment process through the use of its proprietary 'QESG Score' framework. This framework combines direct company engagement and voting data from Federated Hermes' stewardship team 'EOS', with information sourced from company reports and specialist third-party research providers, such as MSCI, Sustainalytics, ISS, Trucost, CDP, FactSet and Bloomberg, independent of the Investment Manager and Responsible Entity. There is a risk that in some cases this information obtained from companies directly or third-party sources may be inaccurate or include errors. No representation, warranty or assurance is given by them as to the accuracy, reliability or completeness of that information.

The QESG Score evaluates companies based on their ESG performance relative to peers and the industry they operate in, assigning a score from 1 to 100 across each ESG pillar (covering environmental, social and governance metrics) and combined to create an overall QESG score. This evaluation is not undertaken against any particular target or pre-determined threshold.

The QESG scoring framework captures both the current level of ESG risk and the direction of change, helping identify companies that are improving or deteriorating in ESG terms. This helps the Investment Manager focus on ESG factors that impact long-term performance.

Under the QESG Scoring system, the Investment Manager measures and scores each of the ESG subcomponents based on the following factors:

- QE Score: For environmental components,

the Investment Manager assesses environmental sustainability and policy robustness, including but not limited to, impacts of climate change (temperature), efforts to reduce greenhouse gas emissions and natural resource stewardship.

- **QS Score:** For social components, the Investment Manager evaluates stakeholder responsibility, including but not limited to, safeguarding human rights through supply chains, indigenous and community rights, worker health, safety and wellbeing and ethical conduct standards, such as anti-bribery and corruption efforts and responsible tax practices.
- **QG Score:** For governance components, the Investment Manager measures board composition and structure, succession planning, remuneration policies and basic shareholder rights.

Each facet of the QESG score mentioned above is embedded separately within the Alpha Model, enabling the team to identify where potential issues occur more easily on an ongoing basis.

This approach means that companies exposed to significant (and unnecessary) risks that are not faced by their peers are very unlikely to be viewed favorably by the Alpha Model. Importantly, other than the ESG screening process, the investment process does not preclude investments in companies that at the time of acquisition have a low QESG score. However, if the investment team identifies a material ESG concern from the QESG scoring process, it is less likely that the trade will be executed. Ongoing monitoring of the QESG Score is conducted with major changes flagged to the investment team each day. If a material issue is found, the investment team may divest following investigation into the cause of the issue and, where applicable, the company's response.

### **Stewardship and Engagement**

Stewardship is central to the Investment Manager's ESG integration. The Investment Manager engages with companies for three key reasons:

- **Insight:** To deepen the Investment Manager's understanding of a company's ESG practices.
- **Risk Management:** To encourage stronger governance and risk controls.
- **Impact:** To drive strategic changes that improve environmental and social outcomes.

EOS plays a critical role in this process, setting clear engagement objectives and tracking progress against defined milestones. There is no guarantee any engagement activities undertaken by the Investment Manager will achieve its desired outcome or objectives. Where companies fail to respond, the Investment Manager may escalate its engagement, or ultimately divest the company within 3 months (which timeframe may vary on a case by case basis and depend on such factors as applicable liquidity and trading costs). In circumstances where trading in the company has been suspended or delisted, or there is low liquidity in trading, it may take longer than three months to divest the investment.

### **ESG screening**

In addition to the implementation of the above QESG scoring assessment and the stewardship and engagement practices, the Investment Manager will seek to exclude investment in the following companies (based on information available to the Investment Manager on these companies):

- Companies that generate over 0% of their Revenues directly from the production of Controversial Weapons.
- Companies that generate over 10% of their Revenues directly from the production of Conventional Weapons.
- Companies that generate over 10% of their Revenues directly from Gambling Products.
- Companies that generate over 10% of their Revenues directly from the production of Tobacco Products.

The exclusions described above are assessed and applied at the individual company level. In applying these exclusions the Investment Manager aims not to invest in companies that have direct involvement in the specified business activities. Companies are generally not excluded solely due to indirect exposure, such as through minority ownership interests (ie less than 50% ownership interest in the entity), supply chains, or franchising arrangements.

For the purposes of these exclusions:

- **Controversial Weapons** means those weapons banned under international conventions such as the Ottawa Convention (landmines), Oslo Convention

(cluster munitions), and treaties on biological, chemical, and nuclear weapons.

- **Conventional weapons** means military weapons or weapon systems and/or integral tailor-made components of these weapons or systems and assault and non-assault firearms or small arms or key components thereof for civilian, military and law enforcement customers.
- **Gambling Products** means ownership in, or operation of, gambling establishments or online gambling services.
- **Tobacco Products** means traditional cigarettes and other tobacco-based products such as cigars and chewing tobacco and also includes other nicotine alternatives such as vaping and e-cigarette products. This exclusion does not apply to companies generating revenue from the sale and distribution of these products, such as supermarkets or products designed as an aid to quit smoking.
- **Revenue** means gross revenue, typically sourced from audited financial statements. When a breakdown of revenue by business activity is not available, estimates or derivations may be applied by the data provider based on ancillary information such as the company structure, business model, supply chain characteristics, and company financials. If revenue is not disclosed and cannot be estimated (e.g. there are no available financial statements), then revenue will be deemed to be zero.

The application of these exclusions relies on reported revenue data or revenue estimates sourced from reputable third party research providers. These research providers obtain information from sources they believe to be reliable. However, no representation, warranty or assurance is given by them as to the accuracy, reliability or completeness of that information.

Where this information is inaccurate or not available in a timely manner, the application of the exclusion may be delayed, particularly where there have been material changes to the nature of an investment. Incomplete or inaccurate data may also result in certain investments being incorrectly included or excluded from investment by the Investment Manager.

Where the Investment Manager does not have evidence that a company is directly involved in the relevant activities, the company will be treated as not involved. If any existing investment is subsequently assessed to be captured by the above exclusions, the investment team will generally seek an orderly sale of that investment within three months. This timeframe may vary on a case-by-case basis and depend on such factors as applicable liquidity and trading costs. In circumstances where trading in the company has been suspended or delisted, or there is low liquidity in trading, it may take longer than three months to divest the investment.

More information is available on the Investment Manager's ESG policy which is available free of charge by contacting the Investment Manager or on the Federated Hermes website at <https://www.federatedhermes.com/au>.

## 6. Fees and costs

### Additional explanation of fees and costs

Certain fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Funds as a whole. You should read all the information about fees and costs

in the PDS and this AIB so that you may understand their impact on your investment in the Fund.

This section should be read together with section 6 'Fees and costs' in the PDS. Taxes are set out in section 7 'How managed investment schemes are taxed' of this document and in the PDS.

### Ongoing annual fees and costs

As at the Issue Date the total ongoing annual fees and costs for the Fund comprises:

- management fees and costs; and
- transaction costs.

Ongoing annual fees and costs may vary in future years. Costs may vary without notice. The amounts shown in section 6 'Fees and costs' of this document and in the PDS are current as at the Issue Date.

### Management fees and costs

The management fees and costs (fees and costs

incurred by you investing in the Fund) comprise a management fee, Fund expenses and indirect costs and are deducted from the returns of the Fund. The management fees and costs excludes transaction costs (i.e. costs associated with investing in underlying assets and government charges).

### **Management fee**

The management fee component of management fees and costs is 0.25% p.a. (inclusive of GST) of the NAV of the Fund and is payable to the Investment Manager for managing the assets of the Fund.

The management fee is calculated and accrued on a daily basis in the unit price of the Fund and is payable monthly in arrears out of the assets of the Fund.

### **Fund expenses**

Under the Constitution, the Responsible Entity is entitled to be paid from the assets of the Fund certain fees as well as all costs, liabilities, damages and losses reasonably and properly incurred in connection with the Fund, its assets and liabilities or in performing its duties and obligations. These Fund expenses may include normal operating expenses and extraordinary expenses. The Constitution does not place any limit on the amount of expenses reasonably and properly incurred by the Responsible Entity.

To the extent any of these expenses are incurred by the Investment Manager, the Investment Manager is also entitled to be reimbursed for these expenses by the Responsible Entity from the Fund.

#### *Normal operating expenses*

Normal operating expenses are those costs that are incurred in the day-to-day administration of the Fund.

These include (but are not limited to) the Responsible Entity's fees (which accrue daily) as well as expenses associated with the preparation of disclosure documents, preparation and distribution of reports and distribution statements to unitholders, custody and administration of assets of the Fund and the provision of audit, legal and tax services.

As at the Issue Date, normal operating expenses incurred in managing the Fund above a cap of 0.1%p.a of the NAV of the Fund will be paid by the Investment Manager and not out of the assets of the Fund. The costs associated with establishing the Fund are also included in this cap and will be

amortised over a five year period from the launch date of the Fund.

#### *Extraordinary expenses*

Unusual or extraordinary Fund expenses are those expenses which are not generally incurred during the day-to-day operation of the Fund. These include (without limitation) the costs of defending or pursuing legal proceedings, calling and holding unitholder meetings or changing the Constitution.

While normal operating expenses are capped by the Investment Manager, we reserve the right to recover any extraordinary expenses from the assets of the Fund.

As the Fund is newly established, the Fund expenses of 0.1%p.a. of the NAV of the Fund as set out in the fees and costs summary in section 6 of the PDS is our reasonable estimate as at the Issue Date for the current financial year (adjusted to reflect a 12-month period). Unusual or extraordinary expenses may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

All taxes will be deducted from the Fund's assets as appropriate and are not included in the 0.1%p.a expense cap. Information on Tax is set out in section 7 'How managed investment schemes are taxed' of this AIB.

### **Indirect Costs**

Indirect costs are any cost we know, or reasonably ought to know or, where this is not the case, may reasonably estimate has reduced or will reduce (as applicable), whether directly or indirectly, the return on the Fund, or the amount or value of the income of, or property attributable to the Fund, or an interposed vehicle. However, indirect costs exclude the management fee, Fund expenses and transaction costs.

Indirect costs are included in the total management fees and costs of the Fund and are paid out of the assets of the Fund as and when incurred. Therefore, they are an additional cost to you.

Indirect costs are reflected in the unit price of the Fund as and when incurred. Indirect costs are not an additional fee paid to the Responsible Entity or the Investment Manager. As the Fund is newly established, the indirect costs of Nil as

set out in the fees and costs summary in section 6 of the PDS is our reasonable estimate as at the Issue Date for the current financial year (adjusted to reflect a 12-month period).

Investments and other tradable instruments may incorporate embedded pricing components, including costs associated with certain over-the-counter derivative financial products, such as spreads and option premiums. These embedded components may result in indirect costs. Indirect costs may vary from year to year, including to the extent that they rely on estimates. The amount described is not an indication or guarantee of the amount that may be charged in the future.

### Performance fee

The Fund will not charge a performance fee.

### Incidental fees and costs

Standard government fees, duties and bank charges may also apply to your investments and redemptions including dishonour fees and conversion costs.

### Transaction costs

Transaction costs such as brokerage, exchange fees, clearing costs and transactional taxes may be incurred by the Fund when the Fund acquires and disposes of its underlying investments.

Transaction costs are not included in the management fees and costs. Instead, they are paid out of the assets of the Fund, as and when they are incurred and therefore are an additional cost to you. Transaction costs are not paid to the Investment Manager or the Responsible Entity. The transaction costs set out in the fees and costs summary in section 6 of the PDS are net of any amount recovered by the buy/sell spread that is charged by the Responsible Entity.

The estimated total transaction costs and the estimated net transaction costs for the current financial year for the Fund are as follows:

Estimated total transaction costs p.a. of the NAV of the Fund	Estimated recovery amount p.a. of the NAV of the Fund	Estimated net transaction costs p.a. of the NAV of the Fund
0.06%	0.06%	0.00%

As the Fund is newly established, the estimated total transaction costs set out in the table above is our

reasonable estimate as at the Issue Date for the current financial year (adjusted to reflect a 12-month period).

As these amounts are estimates, the actual transaction costs that you may incur in the future may differ. Such factors that may impact the amount of transaction costs incurred by the Fund include volume of transactions undertaken by the Fund and market conditions.

### Buy/sell spread

Transaction costs are incurred by the Fund when unitholders buy or withdraw units.

A buy/sell spread will generally be reflected in the Fund's application unit price and withdrawal unit price and applied to applications and withdrawals to ensure that other unitholders aren't impacted by transaction costs associated with a particular unitholder buying or withdrawing units in the Fund.

The buy/sell spread is not a fee paid to us or the Investment Manager and is retained in the Fund to cover the actual transaction costs as they are incurred.

The buy/sell spread is an additional cost to you and will impact the return on your investment. There is no buy/sell spread applied to the reinvestment of distributions.

As at the date of this PDS, the buy/sell spread is 0.10% / 0.07%. For example, if the NAV of each unit is \$1.00, on entry we adjust the unit price up approximately 0.10% (up 0.10 cents) and on exit we adjust the unit price down approximately 0.07% (down 0.07 cents).

Estimated transaction costs are used to determine the buy/sell spreads and are reviewed regularly. The buy/sell spreads are current as at the Issue Date. The buy/sell spread may increase or decrease from time to time and any updates will be made available upon request.

### Contribution and withdrawal fees

No contribution fees or withdrawal fees are payable by unitholders who buy and sell units in the Fund.

### Differential fee arrangements

The Responsible Entity may enter into arrangements for the charging, rebating or waiving of fees, including management fees, with wholesale clients (as defined in the Corporations Act) on a case-by-case basis.

Certain relevant factors will be taken into account when agreeing these arrangements, including the size of the investment. Such arrangements will be by individual negotiation. The Responsible Entity and Investment Manager do not negotiate fees with retail clients (as defined in the Corporations Act) or individual platform investors. Please contact the Investment Manager on [ausales@federatedhermes.com](mailto:ausales@federatedhermes.com) for more information.

### **Financial advisers**

Additional fees may be paid to a financial adviser if you have consulted a financial adviser. You should refer to the statement of advice provided by your financial adviser in which details of the fees are set out.

### **Changing the fees and maximum fees**

The maximum fees that may be charged by the Responsible Entity under the Constitution is 3% per annum (including GST) of the gross value of the Assets of the Fund.

We have the right to increase our fees and the management fees payable to the Investment Manager up to this maximum amount without your consent where we have given you or the operator of your Investor Service (where applicable) at least 30 days' prior written notice.

### **Distribution fees**

Where permitted by applicable law, the Investment Manager may make non-volume based product access payments to operators of Investor Services and / or other payments to dealer groups and operators of Investor Services for providing marketing services in relation to the Fund. If these payments are made, they are not an additional cost to you and will be paid by the Investment Manager out of its own funds.

### **Other costs**

Under the Constitution, the Responsible Entity may receive remuneration out of the assets of the Fund for time spent by it providing additional fund administration services.

This remuneration is calculated on the basis of a maximum hourly rate of \$1,000 (Australian dollars) (plus GST) per hour, adjusted quarterly to reflect any increase in the 'All groups CPI weighted average of eight capital cities' published by the Australian Bureau of Statistics, in respect of each quarter. The Responsible Entity is entitled to charge and take that remuneration out of the assets of the Fund.

### **For more information on fees and costs**

If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend you speak to your financial adviser or visit ASIC's website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au) where a fee calculator is available to help you compare the fees of different managed investment products.

## **7. How managed investment schemes are taxed**

This section should be read together with section 7 'How managed investment schemes are taxed' in the PDS.

### **US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (FATCA)**

The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Broadly, the rules may require the Fund to report certain information to the Australian Taxation Office (**ATO**), which may then pass the information on to the US Internal Revenue Service. If you do not provide this information, we will not be able to process your application.

To comply with these obligations, the Responsible Entity will collect certain information about you and undertake certain due diligence procedures to verify your FATCA status and provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund.

### **Common Reporting Standard**

The Australian government has implemented the OECD Common Reporting Standards Automatic Exchange of Financial Account Information (CRS) from 1 July 2017. CRS, like the FATCA regime, will require banks and other financial institutions to collect and report to the ATO.

CRS will require certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is expected to be a 'Financial Institution' under the CRS and intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your units in the Fund) to the ATO. For the Fund to comply with

their obligations, we will request that you provide certain information and certifications to us. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received. The ATO may provide this information to other jurisdictions that have signed the "CRS Competent Authority Agreement", the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

### **Australian 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.

This summary is based on the Australian taxation laws in effect as at the date of this AIB. 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 the Responsible Entity) 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 where it is an AMIT (see below); and
- the Fund is not a public trading trust (see below),

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 and 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 AMIT, and if so, the Responsible Entity intends to make the irrevocable election to enter into the AMIT regime. The AMIT legislation applies an attribution model whereby 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 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.

**Separate classes:** the ability to make an election to treat each unit class of the Fund as a separate AMIT.

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

The AMIT regime is intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors.

### ***Fund not an AMIT***

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 general trust provisions of tax law applicable to non-AMITs should be relevant. In particular, the Fund will be required to determine its net (taxable) income for the income year. Each investor will be assessed on that share of net income that accords to the proportion of the 'income of the trust' to which they are 'presently entitled' for that year, even if they receive or reinvest a distribution related to that income after year end. Based on the intention that investors are presently entitled to all of the trust income for that year, the Responsible Entity should not be assessed on the net (taxable) income of the Fund and it will be treated as a flow through entity for income tax purposes.

### ***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 (not including the date of acquisition or of disposal) may be eligible to be treated as discount capital gains for resident Investors.

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.

The Responsible Entity intends to make the election to apply a deemed capital account treatment.

In income years where the Fund does not meet the requirements to be a MIT, the characterisation of such covered assets will be determined based on the application of "ordinary principles" relevant to this outcome.

### ***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 certain foreign investments, where certain ownership and/or 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 (even if unrealised). The Responsible Entity will monitor the application of the CFC provisions to the Fund on an annual basis. It is not expected that the Fund's interests in foreign entities should result in income attributed under the CFC provisions as generally the relevant control requirements are not expected to be reached.

### ***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 instruments are not "sufficiently certain" they will continue to be recognised on a realisation basis, unless specific tax timing elections are made. The Responsible Entity will monitor the potential impact of the TOFA rules on the Fund.

### ***Public Trading Trust Rules***

The Fund does not intend to derive income other than from an 'eligible investment business' for income tax purposes. Accordingly, the Fund should not be classified as a 'public trading trust' and taxed as a company.

Further, the Responsible Entity will seek to ensure It does not control entities that carry on trading activities that could result in the Fund

being classified as a public trading trust.

#### *Taxation Reform*

The tax information included in the PDS and this AIB is based on the taxation legislation and administrative practice as at the issue date of this document, together with proposed changes to the taxation legislation as announced by the Australian government. However, the Australian tax system is in a continuing state of reform, and based on the Australian 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 the Responsible Entity to apply it in respect of all the investor's investments with the Responsible Entity. If the investor does not want to quote their TFN or ABN for some investments, the Responsible Entity 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 the PDS and this AIB 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 the Responsible Entity of the Fund or arising from their share of the net income of the Fund to which they were presently entitled to for that year, depending on whether or not the Fund is an AMIT for the income year. The income distributed or attributed for an income year is included in the assessable income for that income year, even if the cash is received after the last day of the income year.

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 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).

### **Foreign Income**

The Fund expects to derive income which is predominately foreign sourced that may be 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 that has been allocated to them 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 and 1/3% for complying Australian superannuation funds may be allowed where the units in the Fund have been held for 12 months or more (not including the date of acquisition and disposal). 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 is predominately foreign sourced and therefore subject to withholding tax in the source jurisdiction. The Fund may derive some Australian sourced income which may be subject to Australian withholding tax when attributed by 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 unfranked dividends and CGT taxable Australian property.

We recommend 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 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 non-resident investors seek independent tax advice in relation to the tax consequences of the disposal of their units.

## **8. How to apply**

There is no additional information in this section. Refer to section 8 'How to apply' in the PDS.

## **9. Other information**

### **The Constitution**

The Fund is governed by a Constitution. The Constitution, together with this PDS, the Corporations Act, and ASIC policy regulate the

Fund and our legal relationship with unitholders.

The Constitution may be unilaterally amended by the Responsible Entity, provided the Responsible Entity reasonably considers the amendment will not adversely affect unitholders' rights. Otherwise, the Responsible Entity must obtain the approval of unitholders by special resolution (which requires at least 75% of the votes cast by unitholders entitled to vote on the resolution being in favour of the resolution).

You may inspect the Constitution on any Business Day, free of charge, by contacting us.

By investing in the Fund, you agree to be bound by the terms of the PDS, this AIB and the Constitution (as amended from time to time). You should consider the terms of the Constitution before investing in the Fund.

### **Unit Pricing Discretions Policy**

The Responsible Entity's Unit Pricing Discretions Policy provides further information about how it calculates the NAV per unit for the Fund. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per unit for the Fund and will record any exercise of discretion outside the scope of the policy. Unitholders can request a copy of the policy free of charge by calling the Responsible Entity.

### **Your rights**

#### **Unitholder liability**

The Constitution provides that the liability of unitholders is limited to the amount, if any, that remains unpaid on their units. However, an absolute assurance about these things cannot be given and the issue has not been finally determined by Australian courts.

#### **Limitation of liability and indemnity**

The Responsible Entity will, subject to the Corporations Act and to the extent permitted under the Constitution, not incur any liability for any loss suffered in relation to the Fund except to the extent to which the loss is caused by the failure of the Responsible Entity to properly perform its duties.

The Responsible Entity is entitled to be kept indemnified, out of the assets of the Fund for all costs, liabilities, damages and losses reasonably and properly incurred by the Responsible Entity (or any of its agents, advisers or delegates) in connection with the Fund, the assets and the liabilities or in performing its duties and obligations.

### **Related party transactions and conflicts of interest**

Perpetual Group, including the Responsible Entity, may act in various capacities (such as responsible entity, trustee and custodian) for other funds or accounts and we may face conflicts between our duties as responsible entity, our duties to other funds we manage and our own interests. Perpetual Group and the Investment Manager have policies and procedures in place to manage any conflicts of interest, which ensure that any actual or potential conflicts of interest are identified and appropriately dealt with. All agreements with related party service providers have been entered into on terms that are similar to those the Responsible Entity would have negotiated with an unrelated party and the Responsible Entity must still ensure that the appointment of the related party is in the best interests of the members of the Fund.

The Investment Manager has appointed another member of the Federated Hermes group of companies, Federated Investors Australia Services Ltd, as a sub-distributor of the Fund.

### **Additional information**

On request and free of charge, the Responsible Entity will provide you with the most recent annual report of the Fund, the most recent financial statements of the Fund, the auditor's report on the annual financial statements, the Fund's PDS and the Constitution (including any amendments).

Additionally, this information can be obtained electronically from

<https://www.federatedhermes.com/au>.

### **Investing in the Fund**

#### **Past performance**

Performance history and fund size information in respect of the Fund will be made available upon request.. Past performance is not a reliable indicator of future performance. Returns are not guaranteed.

#### **Interest on application monies**

Any application monies received by the Fund will not bear interest.

#### **Mortgagee interests/margin lending**

The Responsible Entity will not recognise any security interest (notice of mortgage, etc.) over

any units of the Fund.

### **Indirect investors**

All retail clients (as defined in the Corporations Act) must be advised by a financial adviser and are only able to access the Fund through an Investor Service. Direct applications from retail clients will not be accepted. By investing through an Investor Service you are directing the operator of the Investor Service to arrange for your monies to be invested in the Fund on your behalf. Accordingly, you do not acquire the rights of a unitholder in the Fund. The operator of the Investor Service (or its custodian/nominee) is the unitholder and acquires these rights and can exercise, or decline to exercise them, on your behalf according to the arrangements governing the Investor Service. As an investor in the Investor Service, you must read the PDS and this AIB in that context.

When you invest through an Investor Service and wish to make additional investments, realise your investment, or transfer your investment to another person, you will have to direct the operator of the Investor Service to do so on your behalf. The Responsible Entity accepts no responsibility for any aspect of the Investor Service or (without limitation) for any failure on the part of the Investor Service in respect of its administration, payment of income or other distributions, payment of redemption proceeds, fees charged or the efficiency or viability of the Investor Service.

Specifically, the Responsible Entity's agreement to permit the naming of the Fund in a PDS issued by an Investor Service, or list of investments that may be accessed via the Investor Service, does not signify an endorsement by the Responsible Entity or the Investment Manager, or our support for, the Investor Service.

### **Appointments and agents**

#### **Custodian**

Apex Fund Services Pty Ltd has been appointed to hold the assets of the Fund under a Custody Agreement. Apex was not involved in the establishment of the PDS and is not accountable for the performance of the Fund. As custodian, Apex will safe-keep the assets of the Fund, collect the income of the Fund's assets and act on the Investment Manager's directions to settle the Fund's trades. Apex does not make investment decisions in respect of the Fund's assets that it holds.

Apex has no supervisory role in relation to the operation of the Fund and has no liability or

responsibility to the unitholders.

To the maximum extent permitted by law, Apex expressly disclaims and takes no responsibility for any part of this PDS other than the references to its name. Apex does not guarantee the repayment of capital or any particular rate of capital or income return.

### **Administrator**

Apex Fund Services Pty Ltd has been appointed as the Administrator to provide certain administrative services to the Fund. In this role Apex Fund Services Pty Ltd has been appointed to value the assets of the Fund and to calculate the NAV per unit for the Fund daily under an Administration Agreement.

### **Delegation**

The Administrator may delegate its administration duties to the Sub-Administrator, Apex Fund Services (Australia) Pty Ltd, and the Sub-Administrator is located at Level 13, 459 Little Collins Street, Melbourne VIC 3000.

### **Unit Registry**

Apex Fund Services Pty Ltd has been appointed as the Unit Registry of the Fund under an Administration Agreement. The Administration Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

The role of the Unit Registry is to keep a record of unitholders in the Fund. This includes information such as the quantity of Units held, TFNs (if provided), bank account details and details of an election to reinvest distributions.

### **Consents**

The following parties have given written consent (which has not been withdrawn at the Issue Date) to being named in the form and context in which they are named, in the PDS and this AIB:

- Apex Fund Services Pty Ltd; and
- Hermes Investment Management Limited; and

Each party named above who has consented to be named in the PDS and this AIB:

- has not authorised or caused the issue of the PDS or this AIB;
- does not make or purport to make any statement in the PDS or this AIB (or any

statement on which a statement in the PDS is based) other than as specified; and

- to the maximum extent permitted by law, takes no responsibility for any part of the PDS or this AIB other than the reference to their name in a statement included in the PDS and this AIB with their consent as specified.

## Privacy

We may collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to our related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold;
- how we collect and hold personal information;
- the purposes for which we collect, hold, use and disclose personal information;
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (**APP**), or a registered APP code (if any) that binds us, and how we will deal with such a complaint;
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at [www.perpetual.com.au](http://www.perpetual.com.au) or you can obtain a copy free of charge by contacting us.

If you are investing indirectly through an Investor Service, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact the operator of your Investor Service for more information about their privacy policy.

## Anti-Money Laundering and Counter-Terrorism Financing

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (**AML Act**) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (**AML Requirements**), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). In order to comply with the AML Requirements, the Responsible Entity is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you if we consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation.

The Responsible Entity and the Administrator as our agent (collectively the **Entities**) reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Entities may refuse to accept an application and the application monies relating to such application or may suspend the payment of redemption proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to you for any loss suffered by you because of the rejection or delay of any subscription or payment of redemption proceeds.

The Entities have implemented several measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring unitholders. Because of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked,

frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or because of their compliance with the AML Requirements as they apply to the Fund; and

- an Entity may from time to time require additional information from you to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer because of their compliance with the AML Requirements.

### **Authorised Signatories**

For joint accounts, unless indicated to the contrary on the Application Form, each signatory must sign redemption requests. Please ensure all signatories sign the declaration in the Application Form. Joint accounts will be held as joint tenants unless we are advised to the contrary in writing.

Investors may elect to appoint an authorised nominee to operate their account. The relevant sections on the Application Form need to be completed, including the name and signature of the authorised nominee, the signature of the investor and the date. Only investors can appoint authorised nominees. If you appoint an authorised nominee we suggest that you ensure that:

- they cannot appoint another nominee; and
- the appointment lasts until cancelled by you or the Responsible Entity in writing.

We may cancel an appointment by giving the investor 14 days' notice in writing. If an appointment is cancelled we will not be obliged to act on the instructions of the authorised nominee. If the instructions are varied, we will act only in accordance with the varied instructions. By completing and lodging the relevant sections on authorised nominees on the Application Form you release, discharge and agree to indemnify us as the responsible entity from and against any and all losses, liabilities, actions, proceedings, account claims and demands arising from us acting on the instructions of your authorised nominee.

You also agree that any instructions of your authorised nominee to us, which we follow, shall be

a complete satisfaction of our obligations, notwithstanding any fact or circumstance, including that the instructions were made without your knowledge or authority. You agree that if the authorised nominee's instructions are followed by us, you and any person claiming through or under you shall have no claim against us in relation to the instructions.

An authorised nominee can, among other things:

- apply for additional investment units;
- request that distribution instructions be altered;
- withdraw all or part of your investment; and
- enquire as to the status of your investment and obtain copies of statements.

Redemption payments will not be made to third parties. If a company is appointed as an authorised nominee, the powers will extend to any director and authorised owner of the company. If a partnership, the powers will extend to all partners.

### **Electronic instructions**

If a unitholder instructs us by electronic means, such as email or internet the unitholder releases us from and indemnifies us against, all losses and liabilities arising from any payment or action we make based on any instruction (even if not genuine) that we receive by an electronic communication bearing the unitholder's investor code and which appears to indicate to us that the communication has been provided by the unitholder e.g. a signature which is apparently the unitholder's and that of an authorised signatory for the investment or an email address which is apparently the unitholder's. The unitholder also agrees that neither they nor anyone claiming through them has any claim against us or the Fund in relation to such payments or actions. There is a risk that a fraudulent redemption request can be made by someone who has access to a unitholder's investor code and a copy of their signature or email address. Please take care.

### **The Federated Hermes website**

General and updated information about the Fund is available from the Federated Hermes website

<https://www.federatedhermes.com/au>. This includes the Fund's monthly updates (detailing Fund size, exposures and top holdings), quarterly investment reports, the current PDS (including any supplementary material) and the Fund's annual financial reports.

The Responsible Entity intends to follow ASIC's good practice guide for continuous disclosure and in so doing will post copies of continuous disclosure notices on its website. Unitholders are encouraged to check the website regularly for such information.

The site also has a comprehensive section relating to topical updates and relevant articles from the investment team.

### **Reporting**

Where the Fund has 100 investors or more, the Fund will be considered a "disclosing entity" for the purposes of the Corporations Act. If the Fund becomes a disclosing entity, it will be subject to regular reporting and continuous disclosure obligations.

Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. In addition, Investors can also call us to obtain copies of the following documents, free of charge:

- the Fund's annual financial report most recently lodged with ASIC;
- any half year financial report in respect of the Fund lodged with ASIC after the lodgement of the annual financial report referred to above and before the Issue Date; and

- any continuous disclosure notices or significant events in respect of the Fund after lodgement of the annual report referred to above and before the Issue Date.

Unitholders investing via an Investor Service will receive Fund information from the operator of their Investor Service and unitholders investing directly will receive Fund information from the Investment Manager.

Investors have the right to elect whether to receive notices of meetings, other meeting-related documents, annual financial reports and other Fund related information (each a **Communication**) in electronic or physical form and the right to elect not to receive annual financial reports at all. You also have the right to elect to receive a single specified Communication on an ad hoc basis, in an electronic or physical form. Where the Responsible Entity has your email address, it will send these communications electronically. If you wish to receive physical copies, please notify the Responsible Entity of this election.

### **Administrator**

For information about your investment in the Fund such as statements, confirmations or other information specific to your investment please contact the Administrator, Apex Fund Services Pty Ltd on telephone 1300 133 451 or email [registry@apexgroup.com](mailto:registry@apexgroup.com).