

Investment objective change to the ANZ Private Global Equities (Actively Hedged) Fund

CONTINUOUS DISCLOSURE NOTICE: 1 FEBRUARY 2020

This Continuous Disclosure Notice provides important information for current investors in the ANZ Private Global Equities (Actively Hedged) Fund (the Fund).

What is changing?

Effective 1 February 2020, assets in the Fund will seek to replicate those in the MSCI World (Ex Australia) Net Total Return Index Hedged to Australian Dollars. As a result, the Fund will provide exposure to international equities in developed markets only. The Fund previously invested in assets which sought to replicate the underlying exposures of the MSCI All Countries World Index (MSCI ACWI). This provided exposure to international equities in both developed and emerging markets.

In summary, the benchmark relating to the investment objective of the Fund will change, effective 1 February 2020.

The table here shows the previous and new investment objective (changes in bold):

Previous investment objective	New investment objective (from 1 February 2020)
The objective of the Fund is to provide international equity exposure. Foreign currency exposure may be hedged to Australian dollars according to an active hedging strategy. The benchmark for the Fund is the MSCI All Country (AC) World Index (Ex Australia) Net Total Return Index Hedged to Australian Dollars.	The objective of the Fund is to provide international equity exposure. Foreign currency exposure may be hedged to Australian dollars according to an active hedging strategy. The benchmark for the Fund is the MSCI World (Ex Australia) Net Total Return Index Hedged to Australian Dollars.

Why are we making this change?

Following a recent review of the Fund's investment strategy, the change is being made to meet the broader investment needs of investors more effectively.

This Fund is used as a component of ANZ Private Bank clients' broader portfolio of investments. Removing the emerging market international equity exposure will provide increased flexibility over the management of the emerging markets component within client portfolios. We expect that this change will increase investment efficiency and reduce costs.

How will the change be implemented?

We will sell the underlying assets of the Fund (which follow the previous benchmark) and buy assets that more closely align to the new benchmark (MSCI World Index). This will occur within the Fund from the end of January 2020. This transition will be at the Fund level only. It will not affect individual investor accounts in terms of current unit prices nor will appear in their transaction history.

What does the change mean for investors?

As a result of the change, investors in the Fund will gain comprehensive exposure to international equities in developed markets.

As the underlying investments in the Fund will change, investors may experience small changes to regional exposure within developed markets, for example, a small percentage increase or decrease in an individual country's exposure. In addition, investors will no longer be able to achieve exposure to emerging market equities via the Fund.

Investors may experience some tax implications or see a change in costs (see below). Moreover, they should seek advice from their financial adviser as to whether the Fund remains suited to their needs and financial objectives.

Will there be any transition costs to investors?

Yes, there will be costs associated with selling and buying the underlying investments, such as brokerage costs and stamp duty which will occur at the time of transition. These costs will be incurred within the Fund and reflected in its unit price.

Will there be any tax implications for investors?

We expect that the sale of the Fund's existing assets will result in a capital gain at the time of transition. The impact to each investor will be dependent on their own tax structure and level of investment in the Fund.

Any net capital gains arising from the sale of assets will be taken into account when determining the 30 June 2020 financial year distribution.

Will there be any changes to Fees and Costs?

There is no Management Fee charged for this Fund however we expect an annual reduction of Indirect Costs by approximately 0.11%.

What has not changed?

The following remain the same:

- Strategic asset allocation and ranges
- Standard risk measure.

Any questions?

If you have any questions, please:

- speak with your ANZ Private Advisor
- call Customer Services on 1800 031 810 weekdays between 9:00am and 5:00pm (AEST)
- email wholesale.unittrust@onepath.com.au

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