Ninety One

Information Memorandum for

Ninety One Australia Funds

Emerging Markets Equity Fund

Global Franchise Fund

This Information Memorandum is dated
03 July 2025

Contents

Important information

Issuer

This Information Memorandum (the 'Memorandum') is issued by Ninety One Australia Pty Limited (ABN 52 131 940 451, AFSL 329 636) ('us', 'we', or 'Trustee').

The Memorandum relates to a range of Funds to be known as Ninety One Australia Funds. Section 2 describes the particular details relating to the Funds currently on offer, being the Emerging Markets Equity Fund and the Global Franchise Fund. The Funds in the series are to be established under a single 'umbrella' constitution, but are separate trusts.

We authorise the use of this Memorandum as disclosure to Wholesale Clients (as defined below).

An investment in a Fund is not a deposit with or other liability of any company in the Ninety One Group and is subject to investment risk including possible delays in repayment and loss of income and principal invested. No company in the Ninety One Group guarantees the performance of the Funds or the repayment of capital or any particular rate of return.

Offer only made to Wholesale Clients

We provide this Memorandum to you as a person who:

- has expressed interest in acquiring Units in a Fund; and
- is a wholesale client within the meaning of section 761G or 761GA of the *Corporations Act 2001* (Cth) ('Corporations Act').

If you are not such a person, please do not read this Memorandum, and please return it immediately to us.

This Memorandum is not a prospectus or product disclosure statement under the Corporations Act and is not required to be, and has not been, lodged with the Australian Securities and Investments Commission ('ASIC').

Indirect Investors

Wholesale Clients may invest in the Funds through an investor directed portfolio service ('IDPS'), such as a platform, wrap or master trust. We authorise the use of this Memorandum as disclosure to such Wholesale Clients who wish to invest in the Funds through an IDPS. If you wish to invest through an IDPS, the operator of your IDPS will provide you with information about how to invest, including the forms you will need to complete, minimum initial and subsequent subscription amounts and the method of paying subscription amounts. Reports and documentation relating to the Funds will be sent to the IDPS operator.

When investing in the Funds through an IDPS, your IDPS operator (or its custodian) is acquiring Units in the Fund on your behalf. Consequently, the IDPS operator (or its custodian), and not you, holds the Units in the Fund and will be recorded as the Investor in the register of Investors and will be the person who exercises the rights and receives the benefits as an Investor. The IDPS operator exercises those rights on your behalf in accordance with the arrangements they have with you. You should be aware that as an indirect investor in the Fund, you will not enjoy the rights that a direct investor in the Fund holds. You should be aware that when investing in the Funds through an IDPS that you may be subject to different conditions from those set out in this Memorandum, including in relation to:

- arrangements for application for and transfer of Units, and redemptions;
- fees and expenses;
- payment of distributions (distributions will be sent to the IDPS);
- voting rights; and
- any right to lodge a complaint about the Fund.

For information about your investment in the Funds, you will need to contact your IDPS operator. Reference to 'you' or 'your' in this Memorandum is generally a reference to a direct investor in the Fund, but may also refer to indirect investors investing through a IDPS as the context requires.

Important information (continued)

Confidentiality

We provide this Memorandum on a confidential basis.

By accepting this Memorandum you agree that neither you, nor any of your associates, nor any of you or your associates' respective officers, employees, advisors or agents will:

- use the information contained in this Memorandum or any other information or material we provide for any purpose other than evaluating a potential investment in Units in a Fund; nor
- divulge any such information to any other person except as required by law or for the purpose of seeking investment, legal or taxation advice.

You must not photocopy or reproduce this Memorandum, or distribute it to others, without our prior written consent.

If you are a prospective investor and you opt not to acquire Units in a Fund, you must promptly return to us, without retaining any copies, this Memorandum and all other information or material we supply.

Distribution outside Australia restricted by law

The distribution of this Memorandum in jurisdictions outside Australia may be restricted by law. If you are outside Australia and come into possession of this Memorandum, you should seek advice on, and observe, any restrictions of this sort. If you fail to comply with those restrictions, you may violate applicable securities laws.

This Memorandum does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would not be lawful to make the offer or invitation.

Forward-looking statements

Where we make statements in this Memorandum that are not historical facts, they are forward-looking statements.

Any forward-looking statements in this Memorandum are based on current expectations, estimates and projections about the industry and markets in which we or a Fund either operate now or intend to operate in the future.

We use words such as 'expects', 'anticipates', 'should', 'intends', 'plans', 'believes', 'seeks', 'estimates', 'projects' and any variations of those words or similar expressions to identify forward-looking statements. However, there may be forward-looking statements which are not identified by those words.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions which are difficult to predict, and should not be relied upon as indicative, or as a guarantee, of any future value or result.

Actual outcomes and results may differ materially from, and be significantly less favourable than, what we express or forecast in forward-looking statements.

None of our related bodies corporate, associates, and our (or our associates') directors, officers, advisors and employees or any other member of the Ninety One Group and their directors, officers, advisors or employees (together, our 'Representatives') makes any representations, warranties, or other assurances regarding the accuracy, completeness, or reasonableness of forward-looking statements.

General information only

The information in this Memorandum is general information only, and does not constitute investment, legal, business, tax or other advice. In particular, it does not take into account the investment objectives, financial situation and particular needs of any particular prospective investor.

Risks

You should read this Memorandum (and any supplementary Memorandum or website updates) carefully and in its entirety before making a decision on whether to invest in a Fund. Risk factors that could affect the financial performance of a Fund are summarised in Section 2 and Appendix 1 of this Memorandum.

This summary of risk factors in Section 2 and Appendix 1 is not intended to be an exhaustive list of the risks in relation to an investment in one or more of the Funds. This summary of risks includes a description of Investor dealing and portfolio transactions risks, risks of investments in a Fund, risks associated with fund operations, derivatives risk, investment strategy risks, sector and geographical risk, equity investment risks and emerging market investments risks.

Important information (continued)

You should carefully consider these factors in light of your particular investment needs, objectives and financial circumstances (including financial and taxation issues) and seek professional advice before deciding whether to invest.

No guarantee or assurance

Neither we, nor any other member of the Ninety One Group, nor any of our Representatives give any guarantee or provide any assurance as to the performance of an investment in or the assets of a Fund, the repayment of capital, or any particular rate of capital or income return, or that the investment objective for any Fund will be attained. **Past performance is not a reliable indicator of future performance.**

No liability

The views in this Memorandum are solely ours and are subject to change. Our views may not necessarily reflect the views of another Ninety One Group entity.

We have taken reasonable care in preparing this Memorandum. We provide all information in the Memorandum in good faith, and we have obtained or derived that information from sources we believe to be reliable. However, neither we, nor the Manager, nor any of the Representatives make any express or implied representation, warranty or guarantee that the information in the Memorandum has been audited or independently verified, or is complete, accurate, or reliable.

To the maximum extent permitted by law, neither we, nor the Manager, nor any of the Representatives accept any responsibility arising in any way for errors or omissions, and are not liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on this document or otherwise in connection with it.

We, the Manager and the Representatives expressly exclude all representations, warranties and representations in relation to the information contained in this Memorandum, to the maximum extent permitted by law.

Updates to information in this Memorandum

We may change the terms and conditions described in this Memorandum from time to time to make changes which we believe in good faith are reasonable and are not material. For material changes relating to the Fund in which you are invested (which may include an increase in fees payable or a change in investment policy) we will give you not less than one calendar months' notice. You should check with us if you are in any doubt as to whether you have the most recently published Memorandum. A paper copy of any updated information is available free of charge on request. You should review any additional information available before making a decision whether to invest.

Whole agreement

This Memorandum, your completed application form (or other such document entered into with us or our delegate for the same purpose) and the Constitution supersede and replaces any earlier information provided by us, our affiliates, and our (or their) respective representatives and agents in respect of a Fund. In the event of any inconsistency between this Memorandum and the Constitution, the Constitution prevails. A copy of the Constitution is available from us free of charge on request. Any information or representation given or made by any person which is not contained herein or the Constitution should be regarded as unauthorised and should accordingly not be relied upon.

No cooling off rights

There is no cooling-off right in Australia in respect of the issue of Units.

Currency

Unless stated otherwise, the currency of figures expressed in this Memorandum is Australian dollars.

Definitions

Unless the context requires otherwise, all capitalised terms in this Memorandum are defined in Appendix 3.

Directory of key parties

Trustee and Issuer
Ninety One Australia Pty Limited
ABN 52 131 940 451 | AFSL 329 636

Level 28
The Chifley Tower
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Sydney
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2000
Australia

Telephone: + 61 2 9160 8400

All enquiries regarding investing in a Fund should be directed to the Trustee.

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Channel Islands

Investment Manager
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EC2V 7EL
United Kingdom

Sub-Investment Managers
Ninety One SA Proprietary Limited
36 Hans Strijdom Avenue
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Cape Town 8001
South Africa

Ninety One North America, Inc.
65 E 55th Street, 30th Floor, New York,
New York 10022
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Custodian
State Street Australia Limited
ABN 21 002 965 200

Level 14
420 George Street
Sydney
New South Wales
2000

Administrator and Registrar
State Street Australia Limited
ABN 21 002 965 200

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Auditor
PricewaterhouseCoopers LLP
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Watermans Quay
Barangaroo
New South Wales
2000

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Sydney
New South Wales
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Introduction to Ninety One

Hendrik du Toit
CEO
Ninety One

Ninety One ('**Ninety One**'), established in South Africa in 1991, has evolved from a start-up into an international investment manager with offices on five continents and £130.8 billion of assets under management (as at 31 March 2025).

Our business, part of the Investec Group until our demerger in 2020, has grown largely organically to a position where we proudly serve a growing client base, including Asia Pacific, the UK and Europe, the US, Canada, Latin America, and Africa. Our clients encompass some of the world's largest private and public-sector pension funds, insurers and corporates, and range from foundations and central banks to intermediate and direct investors.

While we have grown considerably over more than three decades, much has remained constant. Ninety One is still managed by the founding members, representing continuity and stability throughout our evolution. As a feature of this founder culture, employees own more than 32% of the business (as at 31 March 2025), aligning our interests with those of our shareholders.

Ninety One offers active strategies across equities, fixed income, multi-asset and alternatives, with a focus on helping our clients achieve their long-term investment goals. At the same time, we believe investing can be a force for good. Forged by our experience, we aim to help ensure a sustainable future for our planet.

Welcome to Ninety One.

Hendrik du Toit

Hendrik du Toit
CEO
Ninety One

Section 1: Ninety One Australia Funds summary

Ninety One Australia Funds

Funds

The Funds in the Ninety One Australia Funds range described in Section 2 of this Memorandum are:

Emerging Markets Equity Fund

Global Franchise Fund

It is the Trustee's intention to launch further funds within the Ninety One Australia Funds range.

The specific features of each Fund, including its investment objective and restrictions are detailed in Section 2. There can be no assurance that the investment objective of a Fund will be achieved or that a Fund will not incur substantial losses.

Issuer and Trustee

The issuer of this Memorandum and the trustee of the Funds is Ninety One Australia Pty Limited, a Sydney-based company which holds an Australian financial services licence (AFSL) and is a member of the Ninety One Group.

Custodian

State Street Australia Limited ABN 21 002 965 200.

Investment structure

Each Fund is a separate individual open-ended unlisted Australian unit trust, which is not registered as a managed investment scheme.

The Trustee may decide to create different classes of Units with different characteristics within each Fund. The classes of Unit available for a Fund are detailed in Section 2 for each Fund.

Units will be issued at an initial issue price of $1.00 per Unit during the initial offer period for a Fund, and after that at a price based on the net asset value of the Fund. See the information about each Fund in Section 2 for more information.

The Funds will be denominated in Australian dollars and distributions and payments will be in Australian dollars unless stated otherwise in Section 2.

Features of the Funds

The Funds are primarily designed for Australian Wholesale Clients who wish to have an investment exposure as set out in the relevant Fund's investment objective and policy.

Although an investor can ask to redeem or transfer their Units at any time subject to the provisions set out in this Memorandum and the Constitution, the Funds are only suitable for investors whose intended investment horizon is long term. Investing in any Fund involves a risk to capital that could be large or small depending on the various market conditions and investors must understand this volatility.

There is no assurance that those objectives can be met.

Investment risks

There are a number of risks that prospective investors should be aware of and read in full before making an investment in any of the Funds.

The key general risks set out in part A and part B (as applicable) of Appendix 1 are not an exhaustive list of the risks in relation to an investment in one or more of the Funds. Prospective Investors should read this Memorandum in its entirety and seek professional advice before deciding to invest.

Section 2 also details specific risks which are more applicable for a particular Fund.

Cooling-off period

There is no cooling-off right for Investors.

You cannot withdraw your application for Units in a Fund once it has been received by us.

Tax

Please see Section 7 for information about the taxation consequences of an investment in the Funds.

Section 2: Specific Fund Information

Emerging Markets Equity Fund

Investment objective

The Fund aims to achieve long term capital growth through investment in emerging markets.

Investment policy

The Fund aims to achieve this long term capital growth primarily (at least two thirds of its assets) through investment in equities or equity-related securities of companies established and/or listed on an exchange in emerging markets, or companies which are established and/or listed on exchanges outside emerging markets but which carry out a significant proportion of their economic activity in emerging markets and/or are controlled by entities established and/or listed in emerging markets.

The Fund may hold other transferable securities, money market instruments, cash or near cash, derivatives, deposits and units in collective investment schemes.

The Fund may use derivatives for hedging, efficient portfolio management and investment purposes as part of the overall investment objective and strategy.

Benchmark

MSCI Emerging Markets Index Net Dividends Reinvested (NDR) (AUD).

Investment philosophy and approach

Our investment philosophy is to search for high quality, attractively valued companies, with improving operating performance, that are receiving increasing investor attention. This consistent, compelling philosophy has underpinned the 4Factor approach since inception, giving us four clear characteristics on which we measure stocks. The first two characteristics are grounded in traditional finance and highlight the type of asset we want to invest in. The second two are momentum factors which exploit market inefficiencies caused by the behavioural tendencies of investors.

From a broad universe, our differentiated, disciplined process begins with a sophisticated screen which objectively highlights potentially interesting ideas in accordance with our philosophy. Our team of investment specialists then focus their fundamental research on these investment opportunities to identify the most compelling, high conviction investment cases for inclusion in the portfolio. Each resulting investment case is put through a rigorous review process by the wider 4Factor team. These steps ensure each of the companies selected for portfolio inclusion offer a clear and coherent investment case consistent with our investment philosophy.

Environmental, Social and Governance ('ESG') integration

The Investment Manager incorporates Environmental, Social and Governance **(ESG)** analysis for the purposes of selecting, holding or selling investments for the Fund.

The Investment Manager believes that ESG factors may impact long-term financial performance and returns. The Investment Manager's approach to integrating ESG in its decision making is outlined below.

Section 2: Specific Fund Information (continued)

Emerging Markets Equity Fund (continued)

The Fund does not have explicit ESG targets and on that basis is not designed for investors who are looking for funds that meet specific ESG targets. This investment decision process, including with respect to ESG factors, may differ to other funds managed by the Trustee.

Overview of the process

With respect to the Fund:

- As set out above, the investment philosophy of the Investment Manager is to search for high quality, attractively valued companies, with improving operating performance and that are receiving increasing investor attention. This investment philosophy underpins the 4Factor approach (see 'Investment philosophy and approach' above);
- As part of the fundamental analysis stage of the investment philosophy and approach, the Investment Manager assesses ESG risks and opportunities of companies and sectors consistently through its 'Sector sustainability framework'. Additionally, the Investment Manager applies a 'Carbon Scorecard framework' to companies considered to be high emitters by the Investment Manager (see further information set out below).

This analysis uses a variety of qualitative information and available data. These are considered in a holistic manner alongside traditional analysis of financial metrics and risks (e.g. valuation, liquidity, etc) to determine an investment case for a company;

- The Fund will not invest in a company that in the Investment Manager's opinion does not satisfy the requirements of the frameworks; and
- The Fund's portfolio holdings are monitored on an ongoing basis through:
  - Active ownership, including through the exercise of proxy voting and engagement. In the context of ESG, the Investment Manager's engagement targets matters identified by the Investment Manager in its research and ongoing monitoring of a specific company that are considered significant by the Investment Manager (for example engaging with high emitting companies to reduce their emissions). The Investment Manager may not engage with every investee company.
  - Reviewing company specific ESG controversies. After the Investment Manager has completed its review, a holding may be sold if it is determined by the Investment Manager to no longer satisfy the requirements of the Investment Manager's frameworks.

ESG Frameworks

1. Sector sustainability framework

Within each sector that the Fund may invest, the Investment Manager identifies key ESG risks and opportunities across the following three pillars to determine which areas of those sectors are in its opinion likely to produce material ESG issues and where ESG factors could threaten or improve the financial returns of companies in that sector.

The ESG risk and opportunities may vary from sector-to-sector, and the applicability of some factors may be more applicable to certain sectors and companies than others. Applicability of a factor under a pillar is determined by the Investment Manager through its materiality assessment. Examples of factors for each pillar include, but are not limited to:

- **Efficient use of resources** - Whether that sector utilises resources efficiently with respect to a particular ESG risk identified by the Investment Manager. For example, factors assessed for this pillar may involve the impact of emissions, the adopted commitment to managing carbon emissions, the exploitation of natural resources or waste treatment practices;
- **Social license to operate** - How that sector engages with broader stakeholders. For example, factors assessed for this pillar may involve human rights, policies and practices for the treatment of workers, and the extent to which workers' rights or diversity issues are addressed; and
- **Governance** - The governance arrangements prevalent within a sector. For example, factors assessed for this pillar may involve policies and practices adopted with respect to shareholder rights, the remuneration of senior management, and the management conflicts of interest or the level of independence of the board of directors of the entity, such as the number of independent directors appointed to the board.

The Investment Manager may invest in a company for which it has identified ESG challenges within its fundamental analysis, provided that the Investment Manager can observe evidence of positive change from the Company. The Investment Manager's

Section 2: Specific Fund Information (continued)

Emerging Markets Equity Fund (continued)

approach is to engage with companies to improve their operations to benefit broader stakeholders as well as shareholder returns, rather than to generally exclude (beyond the excluded business groups and activities outlined in the exclusions for the Fund).

2. Carbon Scorecard framework

Alongside the sector sustainability framework, a proprietary carbon scorecard and transition plan assessments are used to assess companies which the Investment Manager believes to be high portfolio emitters'. Under this framework the Investment Manager assesses those companies' contribution to climate change and to monitor their path to net zero[1]. This provides an engagement road map with investee companies to encourage companies on their journey (from disclosure to setting emission targets, through to net zero alignment).

Exclusions

Certain business groups and activities are also excluded as described under the heading Restrictions and Prohibited Investments in Section 2 of this Memorandum. Other exclusions may be applied by the Investment Manager over time.

Permitted Investments

The Fund may invest in transferable securities, cash and derivatives as described below:

Equity

The Fund's eligible equity securities may include common and preferred shares of corporations, and other securities that can be converted to such shares at the holder's option (including warrants, units and rights to acquire such shares), including, without limitation:

- American Depositary Receipts (ADRs), European Depositary Receipts and Global Depositary Receipts (GDRs), and other similarly regulated instruments;
- index participation in units exchange traded funds (ETFs) or other vehicles designed to replicate the behaviour of all or part of a market index;
- Real Estate Investment Trusts (REITS); and
- units of collective investment schemes/pooled investment vehicles, including private funds.

The Fund may invest in new issues of securities including initial public offerings and placings, as well as underwrite and sub-underwrite new issues. The Fund may purchase equity securities through the Shanghai Stock Connect, Shenzhen Stock Connect and other available mutual stock exchange access schemes ('Stock Connect') between the People's Republic of China, excluding Hong Kong, Taiwan and Macau and the Hong Kong Special Administrative Region of the People's Republic of China.

The Fund may, but is not required to, purchase China A-Shares through a Qualified Foreign Investor (QFI) licence.

Debt securities and cash investments

The Fund's debt security and cash investments may include:

- treasury bills, bonds or other evidence of indebtedness of, or fully guaranteed by, the relevant government (and not limited to U.S. government securities);
- cash, term deposits and short-term paper, money market funds, bank notes, including bearer deposit notes and bankers' acceptances or any other obligation fully guaranteed by a bank; and
- notes and short-term paper issued by corporations.

Derivatives

The Fund may use derivative instruments including, but not limited to, swaps, over-the-counter derivatives, options, futures and forwards on permissible equity securities for hedging, efficient portfolio management and investment purposes as part of the overall investment objective and strategy of the Fund (see above under the heading "Investment Policy" for further information).

Borrowing

The Fund may borrow. It is intended that such borrowings by the Fund are made on a temporary basis.

1. Path to net zero means a company's transition plan for reaching net zero greenhouse gas emissions by 2050 or sooner in line with global efforts to limit warming to 1.5 degrees Celsius. Please note the Fund does not have a net zero transition objective or portfolio emissions targets.

Section 2: Specific Fund Information (continued)

Emerging Markets Equity Fund (continued)

Restrictions and Prohibited Investments

The investment restrictions for the Fund are summarised as:

- The Fund will not invest in companies that (to the best of the investment manager's knowledge) are directly involved in the manufacture and production of whole weapon systems and intended-use components of cluster munitions, antipersonnel landmines, and biological and chemical weapons.
- The Fund will not invest in companies that (to the best of the Investment Manager's knowledge) derive revenue from the:
  - manufacture of delivery platforms of those controversial weapons outlined above;
  - production and retail of civilian firearms; and
  - production of tobacco products.
- In addition, the Fund will not invest in companies that (to the best of the Investment Manager's knowledge) derive more than 50% of their revenues from other tobacco related activities (distributor, licensor, supplier and/or retailer.
- Stock lending/securities lending is not permitted.
- Physical short sales are not permitted.

Changes in specific Fund information

From time to time, we may make changes to the investment philosophy and approach, permitted investments and the restrictions and prohibited investments outlined above, as our approach to managing the Fund evolves. Any changes will only be made within the parameters of the Fund's investment objective and policy as stated above.

Fund reference currency

Australian Dollar

Valuation time

The Valuation Time for this Fund is 4:00 p.m. New York City time on any Business Day, with the "Business Day" on a Friday extended to early morning of the following day Sydney time.

Applications and redemptions

- Completed applications for Units in the Fund will normally be processed daily on each Business Day.
- During the initial offer period for the Fund (see below), the Application Price for Units will be $1.00.
- After the initial offer period, if a completed Application is received by the Trustee by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day (or such other time we may notify Investors)) the Application Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the Application is received (see Section 5.2)).
- See the Application Form which accompanies this Memorandum for further instructions.
- Subject to any suspension or deferral of redemption requests, or deferred settlement of redemption requests as described in Sections 4.8 and 4.9 of this Memorandum, redemption requests for Units in the Fund will normally be processed daily on each Business Day, with proceeds from redemptions normally available within 5 Business Days after the Valuation Time as at which the redemption is processed.
- If a redemption request is received in writing by the Trustee by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day (or such other time we may notify Investors)) and the Trustee decides to accept the request, the Redemption Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the redemption request has been, or is taken to have been, received and accepted by the Trustee.
- Please see Section 4 of this Memorandum for more details.
- Applications and redemptions are subject at all times to the terms of this Memorandum and the Constitution.

Initial offer period

The initial offering period, during which the Units of the Fund will be offered to potential investors at $1.00 per Unit, commenced 1 November 2019 and ended on 20 November 2019 (such period may be shortened or extended at the absolute discretion of the Trustee, as notified to any existing Investors). After the end of the initial offer period, Unit prices will be calculated based on the Fund's net asset value.

Unit classes, fees and other characteristics

Different Unit classes with different designations and features (including fees and investment minimums) may be launched by the Trustee at any time for a Fund. The Unit class designations that are currently available are as follows:

Section 2: Specific Fund Information (continued)

Emerging Markets Equity Fund (continued)

Characteristic	"I" class	"J" Class	"S" class*
Currency	Australian Dollar	Australian Dollar	Australian Dollar
Initial price per Unit	$1.00	$1.00	$1.00
Minimum initial subscription^	$500,000	$100 million	$100 million
Minimum subsequent subscription^	$50,000	$100,000	$100,000
Minimum holding amount^	$500,000	$100 million	$100 million
Minimum redemption amount^	$50,000	$100,000	$100,000
Application fee	None	None	None
Withdrawal fee	None	None	None
Max Management Cost % per annum	1.20%	0.75%	0.20%**
Dividend frequency	Annual	Annual	Annual
Buy/sell spread^^	0.25%		

The "Management Cost" includes the management fees and general expenses. Please refer to Section 6 for more details on the fees and expenses.

^ Waived at the discretion of the Trustee

^^ As at 31 December 2024. See Section 6.5 for how the buy/sell spread may vary.

* S Units are reserved for investors who enter into a separate written agreement with the Trustee,

** Any management fees within the Management Cost for the S class of Units will not be accrued in the daily net asset value of the class of units but invoiced to the Investor outside of the Fund.

Distributions

Distributions are not promised or guaranteed and are dependent on the nature of investments undertaken by the Fund, which may not generate regular income.

Normally where distributions are to be made, they will be paid annually for the distribution period ending on 30 June and will generally be paid to Investors within 3 weeks from the conclusion of the distribution period (although the Fund's Constitution allows up to 3 months). The first distribution calculation date of the Fund will be 30 June 2020.

The Trustee retains the discretion however to distribute income of the Fund more frequently.

Where the Fund is an AMIT, the income to be distributed by the Fund each financial year is expected to be based on the taxable income components that arise for the Fund each year based on its investments. While, under the Constitution, the Trustee has the power to accumulate the income of the Fund where it is an AMIT, the Trustee does not currently intend to utilise this discretion in the ordinary course.

Where the Fund is not an AMIT, the Trustee is required to distribute all of the distributable income of the Fund each year. If no standing principles have been determined by the Trustee for this purpose, this should be, in broad terms, so much of the income of the Fund as is available for distribution for that period after paying the Fund's costs and expenses.

In addition, under the Constitution, the Trustee can make distributions of income or capital at any time

Where the Fund is an AMIT, the Trustee has a limited ability to attribute taxable income components to investors who redeem units under a 'Significant Redemption'. This can manage any 'last man standing' issues that arise in the Fund as a result of continuing investors being taxed on taxable income components that are referable to investors who have redeemed units in the Fund.

Financial year

The financial year of the Fund ends on 30 June.

Risk warnings

Investors should read, be aware of and consider the summary of 'General Risk Factors' set out in part A of Appendix 1.

The Specific Risks detailed in part B of Appendix 1 as at the date of this Memorandum apply only to certain Funds. The following Specific Risk Factors set out in part B of Appendix 1 are more relevant for this Fund:

- Derivative investment risk
- Sector or geographical risk
- Equity investment risk
- Emerging markets investment risk
- Risks relating to China: Investment in China Risk (China Tax Risk, QFI Risk, China A Shares Risk, Stock Connect Risk, Renminbi Currency Risk).

Section 2: Specific Fund Information (continued)

Global Franchise Fund

Investment objective

The Fund aims to achieve long term capital growth through investment in companies around the world.

Investment policy

The Fund aims to invest in entities believed to be of high quality. Such entities are typically associated with global brands or franchises. Quality is judged by reference to competitive advantages, dominant market positions, strong balance sheets, low cyclicality, sustainable cash generation and disciplined capital allocation.

The Fund will be actively managed, and the Investment Manager will have full discretion in the choice of investee entities by size or industry and geographical make-up of the portfolio. The Fund invests in a relatively concentrated number of entities, typically in the range of 25 to 40, however no limit is adopted with respect to the number of entities which may be in the Fund's portfolio.

The Fund may also hold other transferable securities, money market instruments, cash or near cash, derivatives, deposits and units in collective investment schemes.

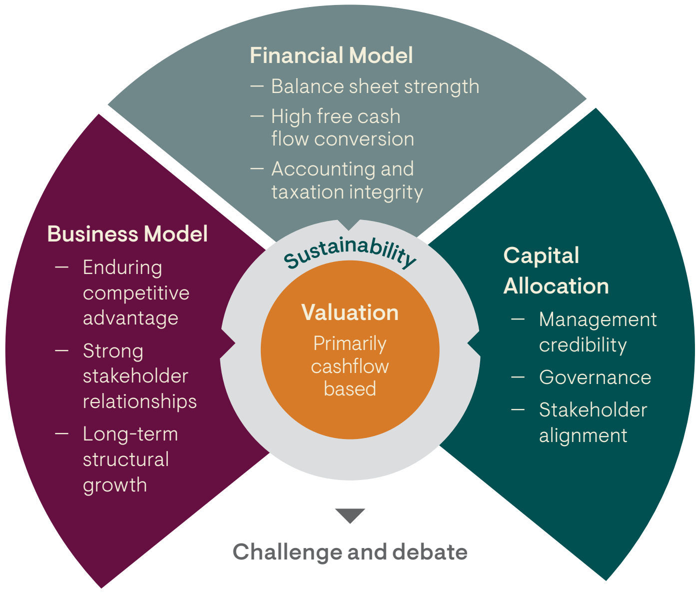
The Fund may use derivatives for hedging, efficient portfolio management as part of the overall investment objective and strategy.

Benchmark

MSCI AC World Index ex Tobacco ex Controversial Weapons Net Dividends Reinvested (NDR) (AUD).

Investment philosophy and approach

The Fund will use the Investment Manager's quality philosophy and proprietary fundamental analysis (see below under the heading 'Investment Process') to construct a relatively concentrated portfolio which aims to compound shareholder value over the long term, while reducing the risk of permanent capital loss.



Investment Process

The approach to idea generation and research is structured and disciplined, first creating the investment universe from the broader universe of listed global equity securities (excluding illiquid[2] and small cap stocks, and lower quality sectors and industries), then using quantitative and qualitative components to generate individual stock ideas. In-depth proprietary fundamental analysis is then conducted on a potential idea before it is then challenged and debated by the investment team. Position sizing and portfolio construction are driven by an assessment of risk and reward.

Universe creation From ~25,000 to ~750 stocks	All listed global equity securities, excluding illiquid and small cap stocks, and lower quality sectors and industries
Idea list	Internal research; monthly screen; external sources. Managed via centralised Ideas List
Fundamental analysis ~120 actively covered	In-depth proprietary research; long-term quality and sustainability focus; valuation discipline; rigorous challenge & debate
Portfolio construction 24-40 holdings	High conviction bottom-up stock selection risk management focus on capital preservation
Engagement & monitoring	Active ownership; daily risk monitoring; bench of stocks

2. Small and Illiquid stocks are generally taken to be higher-risk stocks that cannot be easily and readily sold or exchanged without a potential substantial loss in value. Please see the "Smaller companies risk" and "Liquidity risk – Fund Investments" at Appendix 1.

Section 2: Specific Fund Information (continued)

Global Franchise Fund (continued)

Monitoring and Divestment

The Fund's holdings will be monitored on an ongoing basis. The extent of the Investment Manager's engagement activities with any particular investee entity will vary depending on the Investment Manager's assessment of potential adverse impacts to the Fund as a result of maintaining an investment in that entity and the ability to exert influence on that investee entity and the nature and severity of the potential issue. Therefore, the Investment Manager may not engage with every investee entity.

A holding may be sold for a number of reasons but in particular, if it is determined that the investment case for the holding has been weakened or it no longer satisfies the investment objectives and policy of the Fund. Such sales will take place over a period of time to be determined by the Investment Manager, taking into account the best interests of the investors of the Fund.

Environmental, Social and Governance ('ESG') integration

The Investment Manager undertakes Environmental, Social and Governance ('**ESG**') analysis for the Global Franchise Fund as part of its fundamental investment analysis for purposes of selecting, holding or selling investments for the Fund (see "Investment Process" above).

The Investment Manager believes that ESG factors may impact long-term financial performance and returns for the Fund, and assesses material ESG factors primarily for that reason. The Investment Manager's approach to integrating ESG in its decision making for the Fund is outlined below.

The Fund does not have explicit ESG targets and on that basis is not designed for investors who are looking for funds that meet specific ESG targets. This investment decision process, including with respect to ESG factors, may differ to other funds operated by the Trustee.

Overview of the process

The Investment Manager engages the following investment selection process, which incorporates ESG analysis, by:

1. Making investments in entities that meet the standards of the Fund's proprietary investment selection criteria (see "Investment Process" above). The Fund applies this investment analysis process consistently and on an ongoing basis to assess the characteristics of the Fund's investments, including with respect to ESG factors. This occurs through the qualitative assessment against three pillars (see "Stakeholder Framework" below);
2. Seeking investments which in aggregate have a carbon profile lower than the Fund's benchmark, which we refer to as 'promoting better outcomes' (see "Carbon profile" below); and
3. Investing in certain sectors or business areas that do not breach the restrictions and prohibited investments of the Fund (see "Restrictions and Prohibited Investments" below).

The Investment Manager does not adopt a mechanistic reliance on external ESG ratings and scores for screening or investment selection. Instead, as part of the fundamental analysis stage of the investment process, the Investment Manager consistently assesses whether the investee entities meet the investment requirements for selection by using a stakeholder framework (see below). This analysis uses a variety of qualitative information and available data.

Stakeholder Framework

As part of the fundamental analysis stage of the investment process, every potential investee entity is assessed against the following three pillars:

1. Business model pillar

This may include, for example, assessing an entity's:

(a) relationship with management of suppliers,customers, employees;

(b) relationships with regulators and the potential for increasing regulatory scrutiny;

(c) environmental practices including raw material sourcing, energy efficiency and water usage; and

(d) management of climate change and transition risk (namely, whether an entity has a plan in place in the form of targets, disclosure, and accountability mechanisms to achieve net zero by a certain date).

2. Financial model pillar

This may include, for example, an entity's:

(a) Quality of accounting policies implemented by an entity (for example, any deviation from standard accounting policies);

(b) capital structure and working capital; and

(c) cashflows and tax rate.

Section 2: Specific Fund Information (continued)

Global Franchise Fund

3. Capital allocation & governance pillar

This may include, for example:

(a) an entity's alignment of business and capital allocation with long-term shareholders and other key stakeholder interests (including employee relationships);

(b) an entity's alignment of executive compensation with long-term value creation; and

(c) assessment of an entity's traditional governance issues such as risk management, management and board balance, independence of key committees (such as audit and remuneration), related party transactions, executive track records, and turnover.

Factors may vary between sectors and entities, and the applicability of some factors may be more applicable to certain sectors and entities than others. Applicability and analysis of a factor under a pillar is determined by the Investment Manager.

No specific scores or weightings are assigned to each pillar. Instead, a qualitative assessment of an investee entity occurs against those three pillars, including with respect to ESG factors assessed as part of those three pillars. That contributes to the Investment Manager's overall assessment of an investee entity, which in turn has a bearing on the decision to include that investee entity within the portfolio and, if so, its position size. However, portfolio positioning and changes are not based on ESG factors alone, but rather as a result of the broader investment process, of which ESG analysis is a part.

Consequently, the Investment Manager may invest in an entity with poorer ESG practices if the overall qualitative assessment of that entity results in a decision by the Investment Manager for the inclusion of that entity within the Fund's portfolio and do not breach the Restrictions and Prohibited Investments of the Fund (see below).

Carbon Profile

Meaning of Carbon Profile

The Fund promotes achieving better carbon outcomes by maintaining a 'carbon profile' lower than the Fund's benchmark of MSCI AC World Index ex Tobacco ex Controversial Weapons Net Dividends Reinvested (NDR) (AUD), and will assess the comparison at least annually.

The 'carbon profile' of the Fund is derived by:

- Taking the sum of the annual 'financed emissions' (being the total greenhouse gas emissions of all of the investee entities in the Fund's portfolio) based on the percentage held by the Fund of each assessable investment's enterprise value including cash; and
- Normalising that sum by dividing that sum by the total amount of dollars invested by the Fund in the investments to give a measure which may be compared against the Fund's benchmark of MSCI AC World Index ex Tobacco ex Controversial Weapons Net Dividends Reinvested (NDR) (AUD).

The Fund's promotion of better carbon outcomes is intended to be achieved at the aggregate Fund level rather than at asset level. This means not every investment held will have lower carbon emissions than that of the Fund's benchmark at any single time. Consequently, investment selection will not solely be based on the carbon profile of an investee entity.

Please note that the Fund's actual financed emissions may vary over time, including due to deficiencies with emissions-related data for portfolio companies. As such, the carbon profile of the Fund may potentially exceed the benchmark at points in time.

If the aggregate carbon profile of the Fund were to exceed the carbon profile of the benchmark at the points in time it is assessed, the Fund will take steps to reduce its carbon profile, for example by engaging with investee entities with respect to their own emissions-reduction targets at its discretion and/or excluding specific companies, taking into account the best interests of the unitholders of the Fund.

Climate Strategy and Transition Pathway

As part of its strategy, the Investment Manager also engages with certain investee entities' management teams and/or board directors regarding their decarbonisation strategies. Engagement is prioritised with those companies identified as having little or no carbon emissions disclosure, or where improvements can be made to ensure credible targets and transition pathways are in place that are aligned with the Paris Agreement.

Assessment and engagement surrounding companies' decarbonisation strategies is carried out on an ongoing basis for the Fund's holdings to reduce risk or enhance the value of an investment. However, investment selection will not solely be based on such stewardship activities – as above, portfolio positioning and changes are not based on ESG factors alone, but rather as a result of the broader investment process, of which ESG analysis is a part.

Section 2: Specific Fund Information (continued)

Global Franchise Fund (continued)

Divestment due to an engagement failing to make progress is a last resort. Engagement can be a long-term process, and both an investee entities' willingness to engage and progress made is taken into consideration, alongside regional and cultural factors. This will contribute to the Investment Manager's overall assessment of an investee entity, which in turn has a bearing on the decision to include that investee entity within the portfolio and, if so, its position size.

Permitted Investments

The Fund's eligible equity securities may include common and preferred shares of global companies, and other securities that can be converted to such shares at the holder's option (including warrants, units and rights to acquire such shares), including, without limitation:

- Common and preferred shares of companies listed on any recognised global investment exchange, and other securities that can be converted to such shares at the holder's option (including warrants, units and rights to acquire such shares);
- American Depositary Receipts (ADRs), European Depositary Receipts and Global Depositary Receipts (GDRs), and other similarly regulated instruments;
- Index participation in units exchange traded funds (ETFs) or other vehicles designed to replicate the behaviour of all or part of a market index;
- Units of collective investment schemes/pooled investment vehicles.

Debt securities and cash investments

The Fund's debt security and cash investments may include:

- treasury bills, bonds or other evidence of indebtedness of, or fully guaranteed by, the relevant government (and not limited to U.S. government securities);
- cash, term deposits and short-term paper, money market funds, bank notes, including bearer deposit notes and bankers' acceptances or any other obligation fully guaranteed by a bank; and
- notes and short-term paper issued by corporations.

Derivatives

The Fund may use derivative instruments whose value is linked to one or more transferable securities, indices, foreign exchange rates or currencies. The types of derivative may include, but are not limited to, swaps, over-the-counter derivatives, options, futures and forwards. Derivatives are used for hedging and efficient portfolio management as part of the overall investment objective and strategy of the Fund.

Borrowing

The Fund may borrow. It is intended that such borrowings for the Fund are made on a temporary basis.

Restrictions and Prohibited Investments

The investment restrictions for the Fund are summarised as:

- The Fund will not invest in companies that (to the best of the Investment Manager's knowledge) are directly involved in the manufacture and production of whole weapon systems and intended-use components of cluster munitions, antipersonnel landmines, and biological and chemical weapons.
- The Fund will not invest in companies that (to the best of the Investment Manager's knowledge) derive revenue from the:
  i. manufacture of delivery platforms of those controversial weapons outlined above;
  ii. production and retail of civilian firearms; and
  iii. production of tobacco products.
- In addition, the Fund will not invest in companies that (to the best of the Investment Manager's knowledge) derive more than 50% of their revenues from other tobacco related activities (distributor, licensor, supplier and/or retailer).
- Stock lending/securities lending is not permitted.
- Physical short sales are not permitted.

Changes in specific Fund information

From time to time, we may make changes to the investment philosophy and approach, permitted investments and the restrictions and prohibited investments outlined above, as our approach to managing the Fund evolves. Any changes will be only be made within the parameters of the Fund's investment objective and policy as stated above.

Fund reference currency

The base currency for the Fund is Australian dollars.

Section 2: Specific Fund Information (continued)

Global Franchise Fund

Valuation Time

The Valuation Time for this Fund is 4:00pm New York City time on any Business Day, with the "Business Day" on a Friday extended to early morning of the following day Sydney time.

Applications and redemptions

- Completed applications for Units in the Fund will normally be processed daily on each Business Day.
- During the initial offer period for the Fund (see below), the Application Price for Units will be A$1.00.
- After the initial offer period, if a completed Application is received by the Trustee by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day, or such other time we may notify Investors) the Application Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the Application is received (see Section 5.2).
- See the Application Form which accompanies this Memorandum for further instructions.
- Subject to any suspension or deferral of processing of redemption requests, or deferred settlement of redemption amounts as described in Sections 4.8 and 4.9 of this Memorandum, redemption requests for Units in the Fund will normally be processed daily on each Business Day, with proceeds from redemptions normally available within 5 Business Days after the Valuation Time as at which the redemption is processed.
- If a redemption request is received in writing by the Trustee by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day, or such other time we may notify Investors) and the Trustee decides to accept the request, the Redemption Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the redemption request has been, or is taken to have been, received and accepted by the Trustee.
- Please see Section 4 of this Memorandum for more details.
- Applications and redemptions are subject at all times to the terms of this Memorandum and the Constitution.

Initial offer period

The initial offering period, during which the Units of the Fund will be offered to potential investors at A$1.00 per Unit, commences on 6 March 2024 and ends on 13 March 2024 (such period may be shortened or extended at the absolute discretion of the Trustee, as notified to any existing Investors). After the end of the initial offer period, Unit prices will be calculated based on the Fund's net asset value.

Unit classes, fees and other characteristics

Different Unit classes with different designations and features (including fees and investment minimums) may be launched by the Trustee at any time for the Fund. The Unit class designations that are currently available are as follows:

Characteristic	"I" class	"J" Class	"S" class*	"M" class#
Currency	Australian Dollar	Australian Dollar	Australian Dollar	Australian Dollar
Initial price per Unit	$1.00	$1.00	$1.00	$1.00
Minimum initial subscription^	$500,000	$100 million	$100 million	$500,000
Minimum subsequent subscription^	$50,000	$100,000	$100,000	$50,000
Minimum holding amount^	$500,000	$100 million	$100 million	$500,000
Minimum redemption amount^	$50,000	$100,000	$100,000	$50,000
Application fee	None	None	None	None
Withdrawal fee	None	None	None	None
Max Management Cost % per annum	0.95%	0.68%	0.20%**	0.80%
Dividend frequency	Annual	Annual	Annual	Annual
Buy/sell spread^^	0.10%			

The "Management Cost" includes the management fees and general expenses. Please refer to Section 6 for more details on the fees and expenses.

^ Waived at the discretion of the Trustee

^^ As at 31 December 2024. See Section 6.5 for how the buy/sell spread may vary.

* S Units are reserved for investors who enter into a separate written agreement with the Trustee,

** Any management fees within the Management Cost for the S class of Units will not be accrued in the daily net asset value of the class of units but invoiced to the Investor outside of the Fund.

M Units are reserved for strategic partners at the discretion of the Manager.

Section 2: Specific Fund Information (continued)

Global Franchise Fund (continued)

Distributions

- Distributions are not promised or guaranteed and are dependent on the nature of investments undertaken by the Fund, which may not generate regular income.
- Normally where distributions are to be made, they will be paid annually for the distribution period ending on 30 June and will generally be paid to Investors within 3 weeks from the conclusion of the distribution period (although the Fund's Constitution allows up to 3 months). The first distribution calculation date of the Fund will be 30 June 2024. The Trustee retains the discretion however to distribute income of the Fund more frequently.
- Where the Fund is an AMIT, the income to be distributed by the Fund each financial year is expected to be based on the taxable income components that arise for the Fund each year based on its investments. While, under the Constitution, the Trustee has the power to accumulate the income of the Fund where it is an AMIT, the Trustee does not currently intend to utilise this discretion in the ordinary course.
- Where the Fund is not an AMIT, the Trustee is required to distribute all of the distributable income of the Fund each year. If no standing principles have been determined by the Trustee for this purpose, this should be, in broad terms, so much of the income of the Fund as is available for distribution for that period after paying the Fund's costs and expenses.
- In addition, under the Constitution, the Trustee can make distributions of income or capital at any time.
- Where the Fund is an AMIT, the Trustee has a limited ability to attribute taxable income components to investors who redeem units under a 'Significant Redemption'. This can manage any 'last man standing' issues that arise in the Fund as a result of continuing investors being taxed on taxable income components that are referable to investors who have redeemed units in the Fund.

Financial year

The financial year of the Fund ends on 30 June. The first financial year of the Fund ends on 30 June 2025.

Risk warnings

Investors should read, be aware of and consider the summary of 'General Risk Factors' set out in part A of Appendix 1.

The Specific Risks detailed in part B of Appendix 1 as at the date of this Memorandum apply only to certain Funds. The following Specific Risk Factors set out in part B of Appendix 1 are more relevant for this Fund:

- Concentration risk
- Sustainable investing risk
- Derivative investment risk
- Sector or geographical risk
- Equity investment risk
- Emerging markets investment risk
- Risks relating to China: Investment in China Risk (China Tax Risk, China A Shares Risk, Stock Connect Risk, Renminbi Currency Risk)
- Style bias risk

Section 3: Funds structure and governance

Ninety One Australia Pty Limited in its capacity as Trustee, has overall responsibility for the Funds including governance and the protection of Investor interests

The Funds

Each Fund is an Australian domiciled open-ended unit trust and Investors will become unitholders in a Fund when issued with Units in the Fund in accordance with the Constitution.

The Constitution sets out the rights and responsibilities of Investors and the Trustee in connection with the relevant Fund and the rules for establishment and operation of a Fund. A summary of the Constitution can be found in Section 8.

Initially, the Funds will not be registered as a managed investment scheme with ASIC but the Constitution provides for the possibility of registration at some future time.

The Trustee

Ninety One Australia Pty Limited will act as trustee of the Funds under the Constitution. The Trustee of the Funds holds an Australian financial services licence (number 329 636) under the Corporations Act and is a member of the Ninety One Group.

The Trustee has overall responsibility for the Funds including, the day to day management and administration of each Fund's affairs, the safekeeping and custody of assets, governance and the protection of Investor interests. The Trustee may delegate its functions, but not responsibility, to third parties, including other companies within the Ninety One Group.

It has delegated to the Manager the function of portfolio management, risk management and certain administrative functions. It has also delegated to the Administrator and Registrar certain functions relating to each Fund's administration and register. The Trustee has delegated the custody and safe keeping of the assets of each Fund to the Custodian. The Trustee may delegate various operational, fund accounting and other ancillary functions to a third party administrator. Please see Section 6 for details of the fees the Trustee pays from its Management Cost.

The Trustee is entitled to receive remuneration out of the assets of each Fund for its services, as explained in Section 6.

The Manager

The Trustee has appointed Ninety One Guernsey Limited as the manager of the Funds (the 'Manager'). The **Manager** is licensed and authorised by the Guernsey Financial Services Commission and is a member of the Ninety One Group.

The Trustee has appointed the Manager to provide portfolio management, risk management and certain administrative functions in relation to each of the Funds under a separate Management Agreement.

The fees of the Manager are paid for by the Trustee.

The Investment Manager

The Manager has appointed Ninety One UK Limited as the investment manager (the '**Investment Manager**') to provide investment management, advisory and certain administrative services to the Manager.

The Investment Manager is authorised and regulated by the Financial Conduct Authority in the United Kingdom and is a member of the Ninety One Group.

The Investment Manager is a firm which provides investment and advisory management services for a range of funds, institutional and private clients.

The Investment Manager, in the execution of its duties and the exercise of its powers shall be responsible for the compliance of each Fund with its investment restrictions.

In performing its functions, the Investment Manager may utilise the dealing desk services and ancillary services provided by companies in the Ninety One group (including executing through brokers non-discretionary spot foreign exchange transactions required for the settlement of executed orders in the Fund's investments instructed by the Investment Manager).

The fees of the Investment Manager are paid for by the Manager.

The Sub-Investment Managers

Subject to the compliance with applicable laws, the Investment Manager may select and rely upon affiliated sub-investment managers within the Ninety One Group

Section 3: Funds structure and governance (continued)

for investment decisions and management with respect to a Fund or a portion of the assets of a Fund and is able to draw upon the investment management, investment advice, research and investment expertise of such selected sub-investment managers with respect to the selection and management of the assets of a Fund. The selection of a sub-investment manager may also be for the purpose of co-management of a Fund or a portion of the assets of a Fund between the sub-investment manager and the Investment Manager. The Investment Manager is entitled to appoint as its delegate any sub-investment manager, including any affiliate of the Ninety One Group, provided that the Investment Manager's liability to the Fund for all matters so delegated shall not be affected by such delegation. The fees payable to any such delegate will be payable by the Manager out of its Management Cost in an amount agreed between the Manager, Investment Manager and the sub-investment manager from time to time.

As at the date of this Memorandum, the Investment Manager has appointed Ninety One SA Proprietary Limited and Ninety One North America, Inc., to each act as a sub-investment manager for the Global Franchise Fund (of all or a portion of their assets, as applicable) under the terms of a sub-investment management agreement with each. It is possible that this list of sub-investment managers may change over time. Unitholders may check with the Manager that the list of sub-investment managers appointed to manage assets of a Fund as set out herein remains current. The Memorandum will be updated at the next available opportunity in the event of any change of sub-investment manager.

In performing its functions, a Sub-Investment Manager within the Ninety One Group may utilise the dealing desk services and ancillary services provided by companies in the Ninety One Group (including executing through brokers non-discretionary spot foreign exchange transactions required for the settlement of executed orders in the Fund's investments instructed by a Sub-Investment Manager).

The Custodian

The Trustee has appointed State Street Australia Limited (ACN 002 965 200) to hold legal title to certain assets of the Funds ('Custodian'). The Custodian is an external custodian that is not part of the Ninety One Group.

The Custodian's role as custodian is limited to holding assets of the Funds as custodian of the Trustee (although currently the same company currently acts as Administrator and Registrar). The Custodian may entrust the physical custody of securities and other assets, mainly securities traded abroad, listed on a foreign stock market or accepted by clearing institutions for their transactions, to other corporations throughout the world acting as nominees, depositories or agents of the Custodian.

The Custodian, as custodian, has no supervisory role in relation to the operation of the Funds and is not responsible for protecting your interests. The Custodian has no liability or responsibility to you for any act done, or omission made, and is only liable to the Trustee under the Custody Agreement for the Funds. The Custodian has not authorised or caused the issue of this Memorandum and does not make, or purport to make, any statement in this Memorandum.

The Administrator and Registrar

The Trustee has also appointed State Street Australia Limited (ACN 002 965 200) to act as administrator and registrar to the Funds.

The register will be maintained by the Registrar and a copy may be inspected at the registered office of the Registrar during normal business hours by any Investor in the relevant Fund.

The Auditors

The auditors of the Funds are PricewaterhouseCoopers LLP, an Australian partnership, whose registered address is at One International Towers Sydney, Barangaroo NSW 2000.

Conflicts of Interest

The Trustee, the Manager and the Investment Manager and other companies within the Ninety One Group may, from time to time, act as trustees, custodian, managers, investment managers or advisers to other funds or sub-funds which follow similar investment objectives to those of the Funds.

It is therefore possible that the Trustee and/or the Manager and/or the Investment Manager may in the course of their business have potential conflicts of interest with a Fund or that a conflict exists between a Fund and other funds managed by the Trustee. In accordance with the terms of the Constitution, the Management Agreement and the Investment Management Agreement respectively, each of the Trustee, the Manager and the Investment Manager will, in the circumstances of any such conflict, have regard to its separate obligations including to act in the best interests of a Fund, and obligations to other clients. The Trustee has a policy for the management of conflicts which requires the Trustee to ensure that in such circumstances, each Fund and its other clients are fairly treated.

Section 4: Investing in the Funds

This Section sets out details on how to invest in the Funds

Who can invest?

Only Wholesale Clients as defined in the Corporations Act may invest in the Funds.

You are asked to notify us as Trustee immediately in the event that you no longer qualify as a Wholesale Client.

Investors are strongly advised to contact us at least 24 hours prior to lodging applications of significant value or to confirm whether an application amount will be considered to be significant by us.

Applications

4.1 Minimum initial investment

The minimum investment for Units in the Fund is set out in Section 2. An inital application for Units should be made using an Application Form. See Appendix 2 for details on how to obtain an Application Form. A confirmation note of the Unit holding will be issued as soon as practicable following the determination of the applicable Application Price.

4.2 Minimum additional investment

The minimum additional investment for Units in the Fund is set out in Section 2. Additional investments may be made by completing an additional Application Form, electronically through an approved 'straight through process' (STP) provider or through such other form agreed with us. Please contact us should you wish to make additional investments.

4.3 Application acceptances

In respect of each initial (and additional) investment in Units, a prospective investor (and Investor) must qualify as a Wholesale Client, as defined under the Corporations Act. We may accept or reject any application for Units at our discretion. Rejected, invalid or incomplete applications will be returned to applicants as soon as possible. Interest is not payable on rejected application monies. We may waive any investment minimums at our discretion.

4.4 Application process and trade order cut off times

All initial applications for subscription for Units must be made by completing the Application Form that accompanies this Memorandum and returning it to the Trustee by post, fax or electronically through an approved 'straight through process' (STP) provider.

Completed applications for Units in a Fund will normally be processed daily on each Business Day.

During the initial offer period for a Fund (see Section 2) the Application Price for Units will be $1.00.

After the initial offer period, if a completed application is received by the Trustee by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day (or such other time as we notify Investors)) the Application Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the Application is received (see Section 5.2).

Normally, the Application Price will be available from us shortly after the Valuation Time at which it is calculated. The Application Price for applications received on or around the financial year end for a Fund, or at any other time the Fund makes a distribution, may take longer to publish than at other times.

Cleared funds in Australian Dollars must be electronically transferred into the Application Account for the Funds which is operated by the Custodian. Please see the Application Form for details.

If cleared funds are not received as required, then the application may be rejected at our discretion and no Units will be issued to you. Any funds received following such a rejection will be returned to you, at your risk and without interest.

We will not be under any obligation to process any initial applications for Units or subsequent applications for Units (unless made through an approved 'straight through process' (STP) provider) until we have received a properly completed and signed original Application Form and originals or original certified copies of applicable identification documentation. Applications are irrevocable except with our consent

If prospective investors or Investors (or any third person authorised to deal on their account) choose to send Application Forms by post, or other permitted methods, they bear the risk of such requests not being received. We recommend you follow up with our client service team by telephone prior to the relevant Trade Order Cut-Off Time to confirm the application has been properly received. Neither we nor the Administrator accept any responsibility or liability for any loss or missed opportunity caused as a result of non-receipt or ineligibility of any post or other communication method or for any loss or missed opportunity caused in respect of any action taken as a consequence of such instruction believed in good faith to have originated from properly authorised persons.

Section 4: Investing in the Funds (continued)

Investors may be permitted to invest in the Fund upon such terms and conditions as are permitted by us without the consent of any other Investors, which terms and conditions may differ from those applicable to other Investors on matters relating to, without limitation, fees, rebates or information rights.

New classes of Units in a Fund may be launched without the approval of the existing Investors.

Redemptions

4.5 Minimum redemption

The minimum redemption amounts are set out for each Fund in Section 2.

For a partial redemption request, instructions must specify the number of Units or the amount in dollars to be withdrawn. If a partial withdrawal request will result in an Investor holding less than the minimum holding amount set out in Section 2, we may treat the redemption request as a redemption in respect of all of the Investor's Units in the Unit class in the Fund.

Redemption requests in relation to the Fund, once made, are irrevocable and may only be withdrawn with our consent.

4.6 Redemption process and trade order cut off times

Completed redemption requests for Units in a Fund will normally be processed daily on each Business Day.

If a completed redemption request is received by us in writing by the Trade Order Cut Off Time (being 2:00 p.m. Sydney time on a Business Day (or such other time as we may notify Investors)) the Redemption Price will be calculated based on the net asset value of the Fund as at the next Valuation Time after the redemption request has been, or is taken to have been, received and accepted by us.

Investors will only be able to redeem Units in the Fund if they have correctly completed and submitted a Redemption Request Form, made a redemption request electronically through an approved 'straight through process' (STP) provider or submitted a request in such other way as agreed with us. Please contact us should you wish to redeem.

Normally, the Redemption Price for Units will be available from us shortly after the Valuation Time as at which the redemption request is processed.

In normal circumstances, proceeds from redemptions will be available within 5 Business Days after the Valuation Time as at which the redemption is processed. The proceeds from redemption applications received on or around the financial year end for a Fund, or at any other time the Fund makes a distribution, may take longer to process than at other times. At such times, it may also take longer for the Redemption Price to be published. Redemptions will occur by way of electronic funds transfer to the nominated bank account in the name of the Investor specified on the application form or otherwise notified to us or to the Administrator. Normal bank charges will apply. See Sections 4.7 and 4.9 for circumstances where redemptions may not be processed within standard times.

If Investors (or any third person authorised to deal on their account) choose to send the Redemption Request Form by post, or other permitted methods, they bear the risk of such requests not being received. We recommend you follow up with our client service team by telephone prior to the relevant Trade Order Cut-Off Time to confirm the request has been properly received. Neither we nor the Administrator accept any responsibility or liability for any loss or missed opportunity caused as a result of non-receipt or ineligibility of any post, fax or other communication method or for any loss or missed opportunity caused in respect of any action taken as a consequence of such instruction believed in good faith to have originated from properly authorised persons.

4.7 Deferred redemption of Units

To protect the interests of continuing Investors, in certain circumstances such as where there is restricted or suspended trading or extreme price fluctuation or uncertainty in the market for assets of the relevant Fund, we may defer redemption requests which would be due for processing as at a particular Valuation Time, to a later Valuation Time. This will allow us to match the sale of Fund assets to the level of redemptions and should reduce the impact of dilution on a Fund. Requests for redemption in these circumstances will be treated on a pro rata basis to ensure fairness and consistency of treatment among all Investors. Subject to sufficient liquidity being raised at the next Valuation Time all redemption requests relating to the earlier Valuation Time will be satisfied in full before those relating to the later Valuation Time are considered.

Section 4: Investing in the Funds (continued)

4.8 Suspensions and deferred payment

We may suspend the consideration of redemption of Units, the calculation of the Unit price for a Fund, and/or defer payment of the Redemption Price in certain circumstances. These circumstances include where we consider it would not be in the interests of the Investors as a whole to process redemption requests or make a payment due to one or more circumstances outside of our control, including if any relevant financial or foreign exchange market is closed or trading is restricted, where there is extreme price fluctuation or uncertainty in the market for the relevant assets. Redemptions received during a suspension period may be processed as at the next Valuation Time after the end of the suspension period.

4.9 Switching

Subject to any restrictions on the eligibility of investors for a particular Fund or Unit class, an Investor in a Fund may switch:

- all or some Units of one class in a Fund for another class of Units in the same Fund (where available); or
- all or some Units in one Fund for Units in another Fund (where available).

Switches will be processed as a combination of a redemption request and an application request as detailed above.

Please contact us should you wish to switch.

4.10 Compulsory transfer or redemption

Under the Constitution, the Trustee may impose restrictions on the holding of Units in certain circumstances including to ensure that no Units are held in breach of any law, where a holding would cause a tax liability or tax or FATCA withholding obligations for the Trustee which it would not be able to recoup or where a person is not qualified to hold Units, such as if they are not a Wholesale Client. In such circumstances, the Trustee may give 30 Business Days' notice requiring (unless the situation is remedied) the transfer of the Units to a person who is qualified to hold them or, if not possible, redemption of the Units.

Section 5: Operation of the Funds

This Section sets out some of the key terms of the Funds and their operation.

5.1 General

This Memorandum and the Constitution set out the main rules governing the operation of the Funds and many of the rights and obligations of us and you. The general Australian law on trusts is also relevant to the operation of the Funds and the rights and obligations of us and you.

5.2 Valuation and Unit pricing

When you invest in a Fund you are issued with a number of Units in the Fund. Subject to any rights, obligations or restrictions attaching to a particular Unit or Unit class, each Unit represents an equal undivided interest in the portfolio of investments that the Fund holds as a whole, subject to the Fund's liabilities. As a result, each Unit has an Australian Dollar value (the 'Unit price').

During the initial offer period for a Fund (see Section 2) the Application Price for a Unit will be $1.00. After the initial offer period the Unit price is calculated by dividing the total asset value less the liabilities (being the net asset value) plus or minus transaction costs (as described below), by the total number of Units in issue on that day, adjusted to reflect any different fees applicable to each class. The number of Units issued is calculated and rounded to the nearest whole number.

Units are priced as at each Valuation Time, which will generally occur once on each Business Day, but may be more or less often as we may determine. See section 2 under "Valuation Time" for further detail.

The net asset value per Unit includes the value of income accrued per Unit since the previous distribution date. The Trustee may determine the net asset value at any time, including more than once on each day.

The application price of Units may be higher than the redemption price of those Units. The difference between the application and the redemption prices is due to a difference in the allowance for certain transaction costs such as brokerage, buy/sell spreads in underlying securities, government taxes, duties and levies incurred when acquiring or disposing part or all of a Fund's underlying investments.

These transaction costs are commonly referred to as the buy/sell spread. So that existing Investors do not continually bear the transaction costs resulting from new investments or redemptions that are made, each Investor effectively pays a buy/sell spread when they transact in Units in a Fund through an adjustment in the Application Price and Redemption Price. This is retained by the relevant Fund for the benefit of Investors in that Fund.

Please see Section 6.5 (Transaction costs) below for more information.

5.3 Reporting

We will provide the following reporting services to Investors:

- Confirmation of initial and subsequent investments – shortly after issue of your Units, the Administrator will send you a transaction confirmation statement confirming the amount of your investment and the Units issued, the date the Units were issued to you and other relevant details of the investment.
- Periodic transaction statements on an annual, monthly or quarterly basis depending on the election you have made on your Application Form.
- A distribution summary shortly after the Fund makes a distribution to Investors.
- Annual tax statements reporting – we will distribute tax statements annually, shortly after the end of the relevant financial year of the Fund.
- Annual audited financial statements – these will be made available on our website.
- Any other report which may be agreed individually with Investors.

Section 6: Fees and distributions

This Section sets out details on the fees and expenses payable by a Fund.

Fees, charges and expenses

The following fees, charges and expenses are payable in accordance with the provisions of the Constitution.

6.1 Dealing charges

a. Application with withdrawal fees

The Constitution allows us to impose a charge on the issue or redemption of Units of up to 5% of the application or redemption amount. No such fees will apply to investments under this Memorandum, and we do not intend to impose such a fee in the foreseeable future. If we decide to impose such a fee in relation to future investments in the Funds we will notify Investors.

b. Charges on switching

There is no switching fee payable in relation to Units in the Funds.

6.2 Management fees

We are entitled to a management fee for acting as Trustee as set out in Section 2 for each Fund. Different Units of the same Fund may have different management fee.

The management fee is calculated as a percentage of the net asset value of the relevant Fund or Unit class (inclusive of GST less any RITC entitlement). The net asset value of a Fund is the value of assets less the value of liabilities. The management fee is accrued daily and payable within 7 days of the end of the month, first out of the income of a Fund and then out of capital. The Trustee pays the fee of the Manager out of the management fee.

We may rebate all or part of our management fees on an individually negotiated basis.

6.3 General expenses

The general expenses a Fund incurs, or we incur while acting as the Trustee for a Fund, such as audit fees, legal fees, the custody safekeeping fees of the Custodian, Administrator and Registrar are payable or recoverable from the assets of a Fund under the Constitution (the 'General Expenses').

Provided the General Expenses are properly incurred, there is no limit on the amount of the General Expenses.

Subject to the items outlined below under 'Transaction costs' and 'Abnormal expenses', rather than these General Expenses being payable or recoverable out of the assets of a Fund, we have decided to pay the General Expenses incurred in relation to a Fund out of our Management Cost.

6.4 Abnormal expenses

We may recover abnormal expenses (such as the costs of unitholder meetings, defending or pursuing legal proceedings etc) from the assets of a Fund. Abnormal expenses are expenses which are permitted by the Constitution but are not generally incurred during the day-to-day operation of a Fund and may not necessarily be incurred in any given year.

These expenses are paid for by us as Trustee out of the assets of the relevant Fund and are not paid out of our Management Cost. Whether an expense is an abnormal expense will be determined at our sole discretion. We may, in our sole discretion, decide not to recover these abnormal expenses from a Fund.

6.5 Transaction costs

The application price of Units may be higher than the redemption price of those Units. The difference between the application and the redemption prices is due to a difference in the allowance for certain transaction costs such as custody transaction costs, brokerage, spreads in underlying securities, government taxes, duties and levies incurred when acquiring or disposing part or all of a Fund's underlying investments.

These transaction costs are commonly referred to as the buy/sell spread. So that existing Investors do not continually bear the transaction costs resulting from new investments or redemptions that are made, each Investor effectively pays a buy/sell spread when they transact in Units in a Fund through an adjustment in the Unit price. This is retained in the relevant Fund for the benefit of Investors in the Fund.

The buy/sell spread is expressed as a percentage of a Fund's Unit price and is the same for all Unit classes of a Fund. It is an expected average cost and is additional to other costs you incur such as management costs and abnormal expenses.

Section 6: Fees and distributions (continued)

The buy/sell spread of the Fund may be reviewed by us and altered or waived from time to time without notice. We may also determine a reasonable estimate of the actual amount necessary to avoid an adverse impact on other unit holders due to the acquisition or disposal of assets carried out because of a particular application or redemption and apply this as the buy/sell spread for that particular application or redemption.

Section 2 sets out the buy/sell spread for each Fund as at the date of this Memorandum. To obtain an indication of the current buy/sell spreads that may apply to an application or redemption from a Fund, please contact us.

A nil or reduced buy/sell spread may also be applied where an application from one Investor coincides with a redemption from an existing Investor i.e. a 'crossing', or purchase or sales costs are not incurred for any reason.

Other transaction costs such as bank charges, custody transaction costs and processing costs (for example, fees for filing tax reclaims) which cannot be reasonably incorporated into the buy/sell spread will be paid out of the assets of a Fund.

6.6 Allocation of fees and expenses

Fees and expenses will be charged to the Fund in respect of which they were incurred.

Where an expense is not considered to be attributable to any one Fund, the expense will normally be allocated to all Funds pro rata to the value of the net asset value of the Funds, although we have discretion to allocate fees and expenses in a manner which we consider fair to Investors generally.

6.7 Fees waiver, deferral or reduction

We retain the sole discretion to elect to waive, defer or reduce any fees from time to time for a Fund or any Investor. Any deferral will not affect the right to receive any fees payable. Under the Constitution, the Trustee is entitled to charge a maximum management fee in respect of the Fund of 3% of the net asset value (calculated and accrued daily). The current Management Cost attributable to each class of Units is set out at Section 2. If we decide to increase fees, we would give you 30 days' advance notice.

6.8 Distributions

Under the Constitution, the Funds can make income and/or capital distributions at any time. Distributions are not promised or guaranteed and are dependent on the nature of investments undertaken by the Funds, which may not generate regular income.

Typically where distributions are to be made, they will be paid annually for the period ending on 30 June in each year and will generally be paid to Investors within 6 weeks from the conclusion of the distribution period (although the Funds Constitution allows up to 3 months from the conclusion of the distribution period).

If an Investor so elects on the Application Form, distributions will be automatically re-invested into the same Units in the same Fund which generated the distribution. The Constitution allows us to decide to accumulate some income in the Fund, but we do not currently intend to do so.

We reserve the right for the Funds to make an interim distribution to ensure the fair treatment of all Investors should we receive a redemption request which we believe is material or otherwise in relation to the size of the Fund. Where the Fund is an AMIT, the Trustee also has the ability to attribute certain taxable income components of the Fund to a redeeming investor who redeems units under a significant redemption, which can also assist in the management of these issues.

Section 7: Taxation

This Section includes a brief summary of certain Australian income tax, GST and duty consequences for certain Investors in the Funds.

7.1 Introduction

The purpose of this summary is to explain, in general terms, certain Australian income tax, GST and duty implications to certain potential Investors who are residents of Australia for tax purposes that are liable to be assessed for Australian tax purposes on gains that arise on any disposal of their Units exclusively under the Australian capital gains tax **(CGT)** rules.

This taxation summary is of a general nature and does not take into account the specific circumstances of each investor. Accordingly, a potential investor should not rely on this summary. We recommend that each potential investor in a Fund should seek their own independent professional taxation advice that takes into account their particular circumstances before making any investment or other decision in relation to the Units in the Fund.

This outline reflects only the Australian income tax and GST law, Australian State and Territory duty law, and associated administrative practice as at the date of this Memorandum, which may be subject to change (possible with retrospective effect). This general summary does not take into account any changes in the law or administrative practice after the date of the Memorandum or the law of any country apart from Australia.

This general summary does not apply to all Investors. For example, it does not apply to Investors that:

- will hold their Units in the relevant Fund on revenue account (for example, as trading stock or in the course of carrying on a business);
- are subject to the taxation of financial arrangements **(TOFA)** rules included in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in respect of their Units in the relevant Fund;
- are exempt from Australian tax or otherwise subject to concessionary tax rules;
- are not residents of Australia for Australian tax purposes;
- have changed or will change their tax residence, or otherwise have been or will be temporary residents for Australian tax purposes;
- will hold their Units in the relevant Fund through a permanent establishment outside of Australia; or
- will hold their Units as trustee or as custodian, or otherwise than beneficially.

7.2 Taxation of the Fund

The Trustee of the Funds should not itself generally be subject to Australian tax in respect of the taxable income of the Funds on the basis that for each income year:

- the Investors should be:
  - where the attribution managed investment trust **(AMIT)** regime applies to a Fund for that income year (see section 7.3 below), attributed all of the taxable income of the Fund and distributed amounts on account of amounts so attributed; and
  - otherwise, 'presently entitled' to all of the income of the trust estate for the relevant Fund (referred to as "Distributable Income" in the Constitution);
- each Fund is expected to be managed so as to not be a public trading trust on account of its investments (this summary assumes that this will be the case); and
- the non-arm's length income rules do not apply (see sub-section (c) below).

The Trustee intends to operate the Funds such that no Australian tax will be assessable at the Fund level.

Trust losses may also arise in a Fund. Such losses will not become directly available to Investors. However, it may be possible for those losses to be utilised by the Fund in a future income year to reduce its future taxable income (subject to satisfying the applicable trust loss utilisation provisions).

a. Disposal of investments by a Fund

The disposal or redemption of investments by a Fund may result in taxable income for the Fund that is assessable to Investors. Generally, an amount of income or gain arising on the disposal or redemption of investments will be included in the Fund's distributable income.

Section 7: Taxation (continued)

b. Capital election for managed investment trusts (MITs)

Eligible MITs (which include certain Australian managed investment schemes that are widely held or that are taken to be widely held) can irrevocably elect (in an approved form) to apply the CGT provisions of the Australian income tax law as the primary code to assess gains and losses on certain eligible assets (primarily, shares, units and real property), subject to certain integrity rules. However, where a MIT is eligible to make that election and it does not do so, any gains and losses on the disposal of those otherwise eligible assets (excluding land or certain interests in land) will be taxed on revenue account.

Where a Fund qualifies as an eligible MIT and elects to treat the Fund's eligible assets on capital account, Investors may obtain the benefit of the CGT discount and other tax concessions (where applicable) on any capital gains of the Fund to which they are assessable. It is expected that the Fund will make this election, where it is eligible to do so.

The capital account election will not apply in relation to the disposal of assets covered by that election in any year that the Fund fails to qualify as an eligible MIT. The ordinary tax rules will generally apply in relation to those years.

c. Non-arm's length income rules

Where a Fund is a MIT, the ATO can determine that certain non-arm's length income rules apply if the Fund generates income that exceeds an arm's length amount.

Whilst it is not expected that those provisions would apply to either of the Funds, if they do, the Trustee will be liable to pay tax on the amount that exceeds the arm's length amount at the corporate tax rate (currently, 30%) and will seek to be indemnified out of the assets of the relevant Fund for any such tax liability.

7.3 Distributions from the Fund

Distributions of any Distributable Income of a Fund will be made at least on an annual basis. However, Investors will be assessable on a proportion of the taxable income of the Fund in the year in which it is attributed by the Fund to Investors (where the Fund is an AMIT) or in which it arises to the Fund on the relevant basis set out below (where the Fund is not an AMIT), rather than in the income year in which distributions are received from the Fund.

a. Where AMIT regime applies

The Trustee may be eligible to, and if eligible may, elect into the AMIT regime for a Fund, and the Constitution provides for the Trustee to make such an election. The Trustee currently intends to elect into the AMIT regime subject to determining the income year from which election will take effect in relation to a Fund.

Where the AMIT regime applies to a Fund for an income year, Investors will be assessable on their share of the taxable income of the Fund attributed to them by the Trustee. The amount and components of the taxable income of the Fund which the Trustee has attributed to the Investor and on which the Investor will be assessed on should be determined by reference to a statement provided by Trustee to investors after the end of the income year, known as the "AMIT Member Annual Statement" (**AMMA statement**).

The Trustee has the power to make an irrevocable election to treat different classes of Units in a Fund as separate AMITs for an income year (such that the Trustee may attributable taxable income of the Fund to a particular class of Units). The Trustee does not currently intend to make this election for either Fund.

The Constitution for the Funds sets out the basis upon which the Trustee will attribute the taxable income of the relevant Fund to each Investor (or attribute taxable income to a particular class of Units, in the event that an AMIT class election has been made by the Trustee). For taxable income that is distributed, this will be based on the Investors who are taken to have been distributed the relevant amounts, including Investors who receive distributions of income in relation to a "Significant Redemption" of Units in the Fund. For taxable income that is accumulated, this will be based on distributions Investors would have received if the Fund had distributed the relevant amounts at a point in time determined by the Trustee (which must be on or after the time that the Trustee determines to accumulate the relevant amount, but at or before the end of the relevant income year).

As the AMIT tax regime requires all taxable income of the relevant Fund to be attributed to investors each financial year, without requiring a distribution of all of that taxable income, it is possible for the amount of taxable income that is attributed to an investor to exceed the amount distributed to an investor. This is likely to arise if the Trustee determines to accumulate taxable income in accordance with the Fund Constitution. It is also possible for Investors to receive a tax deferred amount in relation to their distribution from the Fund. This would arise

Section 7: Taxation (continued)

where the distribution received from the Fund exceeds the amount of the taxable income of the Fund which is to be included in the assessable income of an Investor, or where the Fund undertakes a return of capital.

If the amount of Distributable Income distributed to an Investor exceeds the taxable income attributed to the Investor, the Investor should be required to recognise a decrease in the CGT cost base of their Units in the Fund (or a capital gain, to the extent that the existing CGT cost base of their Units in the Fund is insufficient). If the taxable income attributed to an Investor exceeds the amount of Distributable Income distributed to the Investor, then the Investor may be entitled to an increase in the tax cost base of their Units.

In addition, where the AMIT regime applies, the following other rules will also apply to the relevant Fund:

- the Fund will be deemed to be a "fixed trust", which may facilitate the Fund being able to carry forward tax losses and pass through franking credits to Investors; and
- there may be adjustments to the amount of taxable income of the Fund attributed to an Investor where there were "under" or "over" attributions of taxable income of the Fund to the Investor in a previous income year and the Trustee chooses to make an adjustment this way.

b. Where AMIT regime does not apply

Where the AMIT regime does not apply to a Fund for an income year, Investors who are presently entitled to the Distributable Income of the Fund at the end of the income year should be assessable on a share of the taxable income of the Fund for that income year equal to the proportion of their entitlements to that Distributable Income of the Fund for that income year.

An Investor's share of the taxable income of the Fund may consist of various components which have been received or realised by the Fund such as capital gains, dividend income and gains from derivatives (such as those used for hedging). These components will generally retain their character when they "flow through" to Investors.

It is also possible for Investors to receive a tax deferred amount in relation to their distribution from the Fund. This would arise where the distribution received from the Fund exceeds the amount of the taxable income of the Fund which is to be included in the assessable income of an Investor, or where the Fund undertakes a return of capital.

The CGT rules may require the cost base which is held by Investors in their Units to be reduced where the Investor receives a distribution of a tax deferred amount. For example, if the Investor receives a return of capital, that return of capital would likely result in a reduction in the cost base of the Units. Where such tax deferred amounts received by the Investors exceed the cost base of the Units, the excess is treated as a capital gain (though the Investor may be entitled to the CGT discount (refer to 7.4 below)).

c. Common rules

Irrespective of whether the AMIT regime applies to the Fund, investors may also be entitled to claim a foreign income tax offset (foreign tax credit) for foreign tax paid or deemed to have been paid by the Investor in relation to assessable income or capital gains of the relevant Fund in relation to foreign investments on which the Investor is assessable.

7.4 Redemption of Units

The redemption of a Unit in either Fund is a taxable event for CGT purposes. To the extent that the proceeds on redemption exceed the cost base of the Unit, the Investor will make a capital gain. However, if the proceeds on redemption are less than the Investor's reduced cost base, the Investor will make a capital loss.

For CGT purposes, the Investor's cost base and reduced cost base in the Units should be equal to the amount paid to acquire those Units, together with certain incidental costs, adjusted for any tax deferred amounts (as discussed above).

If the Investor has held the Unit for at least 12 months (excluding the acquisition and disposal dates), then the Investor may be entitled to a CGT discount (currently 50% where the Investor is an individual or certain kinds of trust; or 33⅓% discount where the Investor is a complying superannuation fund). The CGT discount does not generally apply to an Investor that is a company.

If the CGT discount applies, the Investor must offset available capital losses against the capital gains then multiply the result by the relevant discount percentage to calculate to amount of their capital gain.

7.5 Transfer of Units

The transfer of a Unit in either Fund is also a taxable event for CGT purposes. To the extent that the proceeds on transfer exceed the cost base of the Unit, the Investor will make a capital gain. However, if the proceeds on transfer are less than the Investor's reduced cost base

Section 7: Taxation (continued)

the Investor will make a capital loss. If the Investor has held the Unit for at least 12 months (excluding the acquisition and disposal dates), then the Investor may be entitled to the CGT discount (refer to section 7.4 above).

7.6 Taxation of Financial Arrangements (TOFA)

The TOFA rules represent a code for the taxation of receipts and payments in relation to certain financial arrangements. The rules contemplate a number of different methods for bringing to account gains and losses in relation to such financial arrangements (including accruals, realisation, fair value, retranslation hedging and financial records).

The TOFA rules could affect the way a Fund's taxable income is determined. The effect, if any, will depend on whether the Fund falls within the scope of the TOFA rules, the nature of the Fund's investments and which (if any) elections it makes under TOFA.

7.7 Stamp duty

Stamp duty is a State and Territory based tax on transactions. As a result, the stamp duty consequences of a Unit Transaction may vary depending on the State and Territory in which the Fund directly and indirectly holds property.

Generally speaking, a transaction concerning the Units in a Fund should not be subject to duty unless the Fund directly or indirectly holds land in a particular State or Territory.

Where the Fund does directly or indirectly hold land, stamp duty may apply.

Any stamp duty payable on the sale, purchase, transfer, issue or redemption of Units is the responsibility of Investors. Investors should confirm the duty consequences in each Australian State and Territory of the issue, transfer or redemption of Units with their professional taxation adviser prior to the issue, redemption or transfer of (or entering into any agreement to issue, redeem or transfer) Units.

7.8 Goods and Services Tax (GST)

No GST should be payable in respect of the subscription or redemption of Units, nor in respect of any distributions paid to Investors.

Where GST applies to fees or other amounts charged to a Fund and recovered from the Fund's assets, the Fund may be entitled to claim an input tax credit or reduced input tax credit for the GST incurred, depending on the precise nature of the fee. Any amount of GST not recoverable will constitute an additional expense to the Fund.

7.9 Tax File Number ("TFN") or Australian Business Number ("ABN")

Investors will be requested by the Trustee to provide their TFN or ABN (if applicable) or claim an exemption in relation to their investment in the Fund. It should be noted that there is no obligation to provide a TFN, however, Investors who do not provide their TFN or ABN or claim an exemption may have tax deducted from distributions at the highest marginal rate plus Medicare levy (currently 47%).

Section 8: Additional information

This Section includes additional information for you about the Funds including a summary of key provisions of the Constitution.

8.1 Summary of the Constitution

The Constitution provides an operational framework for the ongoing management of the Funds.

The main operative provisions outlined in the Constitution include:

- Applications, redemptions and reinvestments of units;
- Rights of unit holders;
- Valuation of assets;
- Fees and expenses;
- Income and distributions;
- Meetings of unit holders;
- Trustee's powers and right of indemnity; and
- Termination of a Fund.

Certain key provisions of the Constitution are further summarised below. In the event of a conflict between this summary and the Constitution, the Constitution prevails. The Constitution allows for other Funds to be established by the Trustee.

The assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of or claims against any other Fund.

The Constitution allows us to compulsorily redeem units in certain circumstances where we determine it is necessary, such as where a unit holding may cause a breach of law or the Trustee being subject to a tax liability which it would not be able to recoup against amounts payable to an investor.

The Constitution permits the issue of Units in exchange for in specie assets at our discretion. It also permits the in specie redemption of Units in certain circumstances.

Copies of the Constitution are available free of charge from us.

8.2 Investors' interest in a Fund

Subject to our power to issue different classes of Units in a Fund with different designations, rights, obligations and restrictions, each Unit gives Investors an equal and undivided interest in a Fund, but does not give Investors an interest in any particular part or asset of a Fund.

8.3 Reimbursement and indemnification of the Trustee

We are entitled to be reimbursed and indemnified from the assets of a Fund for all expenses and liabilities incurred in relation to proper performance of our duties in respect of that Fund. This right of reimbursement and indemnity includes expenses and liabilities connected with the formation of a Fund, promotion of a Fund, administration of a Fund, the acquisition, custody and disposal of a Fund's assets, and fees and costs payable to the Manager and other persons providing services in connection with a Fund. The fees of the Manager will be paid for out of the Trustee's management fees.

Provided the Trustee acts in good faith and without gross negligence, it is not liable in contract, tort or otherwise to Investors for any loss suffered in any way relating to the Funds. If at any time a Fund were to become a registered managed investment scheme, this limitation of liability would be affected by the Corporations Act.

8.4 Transfer of Units

Please contact us if you would like to transfer Units. We may refuse to record any transfer of Units in our absolute discretion and without giving reasons for the refusal. Stamp duty may apply to a transfer of Units, and you should consult your tax adviser for information. The Trustee may refuse to register a transfer if it has not been duly stamped.

If an Investor dies or becomes subject to a legal disability such as bankruptcy or insanity, only the survivor (where the deceased was a joint holder) or the legal personal representative (in any other case) will be recognised as having any claim to Units registered in the Investor's name. Please contact us for further information.

8.5 Powers of Trustee

As Trustee, we have all the powers in respect of the Funds that it is possible under law to confer on a trustee and as though we were the absolute owner of the Funds' assets and acting in its personal capacity, including the power to borrow, invest and delegate our powers to others (including the Manager and Custodian).

Section 8: Additional information (continued)

8.6 Termination and closure of the Funds and Units

While a Fund is a not a Registered Scheme, we may terminate a Fund at any time by providing Investors with written notice at least one month prior to the proposed termination date, unless all Investors consent to a shorter notice period. If a Fund becomes a Registered Scheme, we may terminate a Fund that is a Registered Scheme by providing Investors with written notice at least 60 days prior to the proposed termination date.

While a Fund is not a Registered Scheme, we may also close a Unit class in a Fund at any time by providing Investors with written notice at least one month prior to the proposed redemption of all Investors in that Class, unless the Investors in that Class consent to a shorter period of time.

If a Fund is terminated, the net proceeds will be distributed pro rata to Investors according to their Unit holdings, and the proceeds may be paid in instalments.

8.7 Amendments to the Constitution

The Constitution may be amended by us, but only with the approval of an ordinary resolution of Investors if the change would have a material adverse effect on certain Investors' rights, including rights to income or capital and to redeem, transfer or vote. However, we may make any amendments necessary or desirable to allow a Fund to be registered as a managed investment scheme, to facilitate proper administration of the Fund under the Attribution Management Investment Trust regime, or to add new Funds, without such approval.

8.8 Retirement of Trustee

While a Fund is not a Registered Scheme, we may retire as Trustee at any time by giving at least one month's notice to Investors (or such shorter notice to which Investors agree). We must retire if required by law. On retirement, we may appoint a replacement trustee. If a Fund becomes a Registered Scheme, we may retire as the responsible entity of that Fund as permitted by law and when required by law.

8.9 Limits on liability

Subject to any separate agreement between the Trustee and an Investor (e.g. in the Application Form) and the liability for tax and user pays costs described below, the Constitution states that the liability of an Investor is limited to the amount (if any) which remains unpaid on their Units. The effectiveness of such provisions has not been confirmed by superior courts.

The Trustee is entitled to recover from Investors any cost or liability (including tax) incurred in relation to:anything an Investor asks the Trustee or Manager to do or omit to do;

- any act or omission of the Investor; or
- any other matter arising in connection with the holding of Units by that Investor.

While a Fund is not a Registered Scheme, provided the Trustee acts in good faith and without gross negligence, it is not liable in contract, tort or otherwise to Investors for any loss suffered in any way relating to the Fund. If a Fund becomes a Registered Scheme, the Trustee is not liable in contract, tort or otherwise to Investors for any loss suffered in any way relating to the Fund which is a Registered Scheme except to the extent that the Corporations Act imposes such liability.

8.10 Register of Investors

The register of Investors is maintained by the Registrar.

8.11 Privacy and privacy policy

The Application Form requires you to provide information about yourself to the Trustee that may be personal information for the purposes of the *Privacy Act 1988* (Clth) ('Privacy Act').

We collect, use and disclose your personal information to:

- Process an investment application from you and establish your investments in the Funds or other financial products.
- Manage our relationships with you and administer any investment you have with us, including communicating with you about the investment.
- Monitor and evaluate our investment products or other products or services.
- Provide you with access to our website and other online services.
- Respond to queries you submit to us.
- Provide you with information about our Funds, investments, products or services that may be of interest to you.

Complying with our legal requirements under any applicable laws. These may include verifying your identity and carrying out regulatory checks or other requirements under laws such as: the AML/CTF Act (as defined below), the *Financial Sector (Collection of Data) Act 2001* (Cth), the *Corporations Act*, the *Taxation Administration Act 1953* (Cth), the *Income Tax Assessment Act 1997* (Cth) and other

Section 8: Additional information (continued)

taxation laws and other regulatory legislation.

In addition, in some markets where the Fund invests, we are required to share information on substantial investors with the market operators, local exchanges, and/or regulators for market transparency. This information may become publicly available:

- To the extent required or permitted by any applicable law, rule or regulation which mandates reporting and/or retention of information or to the extent required by any order or directive regarding reporting and/or retention of information issued by any authority or body or agency in accordance with which Ninety One is required or accustomed to act.
- For other purposes as listed in our Privacy Policy.

From time to time we may need to disclose personal information regarding you to a third party.

The types of third parties to which we may disclose personal information include:

- service providers we engage to provide custody, administration, technology, auditing, mailing, printing or other services;
- regulatory or Government authorities, market operators or local exchanges (where required to or authorised by law);
- our professional advisers (including legal and accounting firms, auditors, consultants and other advisers);
- our related companies (e.g. entities of Ninety One), their related parties, agents, and contractors; and
- other organisations as further set out in our Privacy Policy.

Any such disclosures will be made on a confidential basis and, where possible, will require the third party to comply with appropriate privacy obligations.

Some of these third parties may be located in other countries, including South Africa, the UK, Ireland, the USA, Mauritius, Hong Kong, Switzerland, India and Luxembourg.

Our privacy policy

We have developed a 'Privacy Policy'. A copy of this document is available on our website (www.ninetyone.com).

Our Privacy Policy states how we manage personal information. The Policy includes information as to how you can access and/ or seek correction of the personal information we hold about you. The Policy also contains information as to how you can complain about a breach by us of the Privacy Act and how we will deal with such a complaint. A charge may apply for providing you with access to your personal information.

Opting out

By completing the Application Form you agree that entities of Ninety One, affiliate companies and their partners may use your personal information (including your telephone number, even if it is listed on the Do Not Call Register, and your email or other electronic addresses) to keep you informed about other products, services and offers which may be of interest to you. They may do this by phone, mail, email, SMS or other electronic messages. These consents operate indefinitely and shall remain in effect unless and until you notify us that you do not want to receive such communications. If you do not wish to receive these communications please notify us in writing or by phone. If you have not told us that you do not wish to receive these communications by phone, you may be contacted even if you have registered your phone number on the national Do Not Call Register.

General

If you do not provide the information requested of you in the Application Form, we may not be able to process your investment application, or administer your holding of Units.

Please contact us or the Registrar if any of the details you have provided to us change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to address them.

If you have any queries about our practices relating to privacy or if you wish to lodge a complaint in relation to an alleged breach of your privacy, our Privacy Policy contains information on how you may contact us.

Call recording

Please note your telephone calls and conversations with an Ninety One representative may be recorded and monitored for quality, training and verification purposes.

8.12 Anti-Money Laundering and Counter-Terrorism Financing law

We are required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (as amended) (the "AML/CTF Act") and economic and trade sanctions laws.

Section 8: Additional information (continued)

To comply with the AML/CTF Act, when you apply to invest in the Funds we will require you to provide personal information and documentation in relation to your identity including identity of persons for whom you act (e.g. beneficiaries). We may need to obtain additional information and documentation from you while we consider your Investment Application, before we issue Units or while you hold Units in the Funds.

Before we issue you with Units, we may need to verify your identity. If you appoint someone to act on your behalf (including through a Power of Attorney), we will need to verify their identity as well. We will not issue Units, or accept instructions regarding your Units, until we have verified your, or your representative's identity, to our satisfaction. In some circumstances, we may need to re-verify this information.

By submitting an Application Form, you acknowledge that we may delay or refuse any request or transaction (including by suspending the issue or withdrawal of Units) if we are concerned that the request or transaction may breach an obligation, or cause us to commit or participate in an offence, under the AML/CTF Act, or other money laundering, terrorism- financing or economic and trade sanctions laws or regulations in Australia or any other country, and that we incur no liability to you if we do so. We may also be required to report certain matters to the regulator.

8.13 Complaints

If you have any queries or complaints, please contact us in writing. We will acknowledge your query or complaint in writing within 10 Business Days. We will then give proper consideration to the complaint and advise you of the outcome as soon as practicable.

8.14 Notices

A notice or other communication to be given to an Investor in connection with a Fund will be given in writing (including by post, fax, email or other electronic means). Such notices will be delivered or sent to the Investor at their physical address on the register of the Fund from time to time or in the case of an electronic address, the last address advised to us or the Administrator in writing for delivery of notices (and duly accepted and acknowledged by us or the Administrator as a valid address).

8.15 Automatic Exchange of Account Information

All launched and constituted Funds are Financial Institutions under the Australian IGA and the CRS, as implemented in Australia.

We will conduct due diligence on prospective investors and Investors in the Funds to comply with our obligations under the Australian IGA and CRS in respect of the Funds. Prospective investors will need to provide the Manager with certain information and/or documentation when applying for Units in the Funds and existing Investors may need to provide the Manager with certain information and/or documentation on request.

The Manager will report information in respect of certain Investors and their Units to the ATO. Broadly, the Manager will report information pursuant to the Australian IGA in respect of Investors who are:

- U.S. citizens or residents;
- certain types of U.S. entities; and
- certain types of non-U.S. entities that are controlled by one or more U.S. citizens or residents.

The Manager will also report information pursuant to the CRS in respect of Investors who are foreign resident individuals, certain types of foreign resident entities, and certain types of Australian entities that are controlled by one or more foreign residents.

If an Investor does not provide the Manager with the required information and/or documentation upon request, the Manager may be required to report information in respect of that Investor and its Units to the ATO.

If you are a new Investor and you do not provide us with the required information and/or documentation on request, we may not issue Units to you. Alternatively, we may report information in respect of you and your holding of Units in the Funds to the ATO.

The ATO will share FATCA and CRS information reported to it with the US Internal Revenue Service in accordance with the Australian IGA, or tax authorities of jurisdictions that have signed a relevant CRS Competent Authority Agreement under the CRS.

Prospective investors and Investors should consult with their tax advisers for further information on how the Funds' FATCA and CRS obligations may affect them.

Appendix 1: Risk factors

As for any investment, there are a number of risks associated with investing in Funds. The following risk factors may be relevant to the Funds.

All investments risk the loss of capital. Before making an investment in a Fund, you should consider carefully the information contained in this Memorandum. You should consider your own personal circumstances including your level of risk tolerance, financial circumstances and investment objectives. The value of an investment in a Fund, and any income generated from it, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, as well as by specific matters relating to the assets in which a Fund invests.

This Appendix 1 lists those risks identified at the time of the issue of this Memorandum. Risks may arise in the future which could not have been anticipated in advance. Risk factors may apply to each Fund to varying degrees, and this exposure will also vary over time. This Memorandum will be updated at regular intervals to reflect any changes to the Risk factors detailed in this Appendix 1.

The following General Risks in part A of this Appendix 1 apply to all Funds, whereas the Specific Risks detailed in part B of this Appendix 1 as at the date of this Memorandum apply only to certain Funds as set out in the risk warnings in the Specific Fund Information in Section 2 of this Memorandum. The ordering of each risk warning in the General Risks and the Specific Risks sections is not and should not be inferred as an indication of the importance of one risk over another.

If you are in any doubt about the suitability of an investment in any of the Funds, or if you are not confident you understand the risks involved, please contact your professional advisor for further information.

Part A - General Risks

Risks associated with investments in a Fund

Accounting risk

Accounting, auditing and financial reporting standards, practices and disclosure requirements vary between countries and can change and this can be a source of uncertainty in the true value of investments and can lead to a loss of capital or income.

Active management risk

As each Fund is actively managed the portfolio's constituents may vary from the benchmark, and therefore the performance of a Fund may differ from that benchmark and so could underperform it.

Cyber risk

The Ninety One Group and its service providers are at risk of cyber attack which could cause operational disruption and impact business operations, potentially leading to financial loss. This can result from the misappropriation of assets or sensitive information, corruption of data or interference with the company's ability to perform its duties relating to, for example, processing transactions, asset valuation and maintenance and adherence to privacy and data security legislation. This could result in reputational damage, regulatory censure, legal fees and other costs. Cyber attacks affecting issuers in which a Fund invests could also cause the Fund's investments to lose value.

Exchange rate fluctuation risk

Currency fluctuations may adversely affect the value of a Fund's investments and the income thereon. Currency fluctuations may also adversely affect the profitability of an underlying company in which a Fund invests.

Income yield risk

The level of any yield arising from interest and/or dividend payments, and other such sources of income, for a Fund may be subject to fluctuations and is not guaranteed. Therefore, the related distribution amount paid, or deemed to be paid, from any Fund's Unit class may also fluctuate over time and is not guaranteed.

Inflation & deflation risk

Inflation (generally measured by the consumer price index) erodes the real value of all investments and changes in the anticipated rate of inflation could lead to capital losses in a Fund's investments. Rising rates of inflation may mean that a Fund with a performance target linked to the consumer prices index may underperform for extended periods.

Deflation risk is the risk that prices throughout an economy may decline over time. Deflation may have an adverse effect on company profitability, impacting their value or creditworthiness, which may result in a decline in the value of a Fund's portfolio.

Initial public offerings ('IPO') & placement risk

When a Fund subscribes for an IPO or a placing there is a (potentially lengthy) period between the Fund submitting its application and finding out whether the application has been successful. If the Fund is not allocated the full amount subscribed for due to oversubscription or the security is listed at lower than the issue price (in respect of an IPO only), this may result in a sudden change in the Fund's price. There is also the opportunity cost of having cash committed to the subscription (and therefore out of the market), and not receiving the full allocation.

The price of securities involved in initial public offerings are often subject to greater and more unpredictable price changes than more established securities and there may be less financial information available.

Pandemics, Epidemics and Outbreaks of Transmissible Diseases risks

Investors are cautioned that pandemics, epidemics and outbreaks of transmissible diseases could pose significant and unpredictable risks for a Fund.

To contain pandemics, epidemics or outbreaks of transmissible diseases, governments around the world may take a number of actions, such as regional and country-wide quarantine measures, significant border closures and travel restrictions, ordering the closure of certain business sectors, prohibiting residents' freedom of movement, encouraging or ordering employees to work remotely from home, and banning public activities and events, among others. Such measures can result in the slowing and/or complete idling of commercial activity around the world.

The impacts of these actions could materially and adversely affect the performance of a Fund's investments and more generally a Fund's ability to implement their investment strategies.

In particular, the valuation of a Fund's existing and potential investments may be difficult to assess and may be subject to a high degree of variability and uncertainty, which may lead to the suspension of the calculation of the net asset value of a Unit class in a Fund. Similarly, payments of income or interest and repayment of principal from borrowers may be delayed, and as a result, the predicted timing and amount of cash flows for a Fund may be adversely affected. These impacts and adverse effects are not exhaustive and may evolve rapidly as developments unfold.

In addition, the operations of the Trustee, the Manager, the Investment Manager and/or the Fund's other service providers (or their respective affiliates) could be, adversely impacted, including through quarantine measures and travel restrictions imposed on personnel based or temporarily located in affected countries.

Political & regulatory risk

Expropriation by the state, social or political instability, or other restrictions on the freedom of a Fund to deal in its investments, may all lead to investment losses. It should also be noted that there may be occasions when a government imposes restrictions on a company's operations and / or the free movement of cash.

The regulatory environment may evolve in different territories and changes therein may adversely affect the ability of a Fund to pursue its investment strategies. The regulatory environment within which a Fund operates may be different to the regulatory requirements of the investors' home countries.

Climate change risk

Climate change is an evolving risk which could affect the value of the underlying investments of a Fund. Climate change risk includes i) transition risks, being risks associated with markets transitioning to a lower-carbon economy (including extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change) and ii) physical risks which may be acute (e.g. extreme weather events) or chronic (e.g. longer term shifts in climate patterns such as sustained higher temperatures).

Charges to capital risk

Where the income on a Fund is not sufficient to offset the charges and expenses of a Fund they may instead be deducted from the capital of the Fund. This will constrain the rate of capital growth.

Currency denomination risk

The currency denomination of a Unit class in a Fund may not necessarily be an indicator of the currency risk to which Investors are exposed. Currency risk derives from the currency exposures of the underlying assets of a Fund, while the currency denomination of a Unit class only indicates the currency in which the net asset value of that Unit class is valued in.

Dealing charges risk

Where a charge is made on a subscription or redemption of Units, investors who sell their Units may not, even in the absence of a fall in the value of the Units, recover the total amount originally subscribed.

Risks Associated with Investor Dealing and Portfolio Transactions

Conflicts of interest risk

The Trustee, the Manager, the Investment Manager and other companies within the Ninety One Group may, from time to time, act as trustee, manager, investment manager or adviser to other funds, sub-funds or other client mandates which are competitors to the Funds because they follow similar investment objectives to the Funds. It is therefore possible that the Trustee, the Manager and the Investment Manager may in the course of their business dealings have potential conflicts of interest with a particular Fund. Each of the Trustee, the Manager and the Investment Manager will, in the circumstances of any such conflict, have regard to their regulatory and contractual obligations and to their overall duty to act in a commercially reasonable manner to act in the best interests of all customers and to treat all customers fairly when undertaking any investment business where potential conflicts of interest may arise.

Counterparty risk – trading

The Funds may enter into transactions with counterparties, thereby exposing them to the counterparties' credit worthiness and their ability to perform and fulfil their financial obligations (including the timely settlement of trades). This risk may arise at any time the Funds' assets are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements.

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. In this situation, the receipt of securities or sale proceeds by a Fund is dependent on the counterparty fulfilling its own delivery obligation.

When entering derivatives transactions and making use of efficient portfolio management techniques, the Funds may be adversely impacted by conflicts of interest arising from the relationship of the counterparties to the relevant investment manager or another member of the relevant Investment Manager's group of companies.

Risk of market closure

Certain markets in which a Fund invests may not open every Business Day. Consequently, the prices at which the Units may be bought or sold may be based on the last available prices for the underlying investments that are out of date to a greater or lesser extent. This may cause the returns of the Fund to be affected if purchases or sales of Units are followed immediately by increases or decreases in the prices of the underlying investments. Causes of market closures can be either from differences in normal market trading days, national or localised public holidays or from non-standard market closures imposed as emergency measures.

Liquidity risk – Fund investments

A Fund may invest in less liquid securities or securities that subsequently become less liquid and therefore may be difficult to sell under certain circumstances, which would have an adverse impact on market price or the ability to realise the asset. Lower liquidity for such securities may be because of lower liquidity in the asset class in general, such as smaller companies or certain categories of credit, or as a result of specific economic or market events, such as the deterioration in the performance of an issuer.

Risk of suspension

In certain circumstances, your right to redeem, or switch units may be suspended (see Section 4). This will mean that on a temporary basis Investors will not have access to their money.

Risk of remittance restrictions

In some countries, the proceeds from the sale of a security, or dividends or other income, which is due to foreign investors, may not be payable, in full or in part, due to governmental or other restrictions. Any such restrictions will reduce the profit potential of a Fund and may lead to losses. Other such risks may include the introduction of unexpected taxation rules. In some circumstances, governmental or regulatory controls may be imposed affecting the efficient movement of capital (e.g. exchange limitations or currency movements/repatriation).

Risk of deferred settlement on redemptions

The Trustee may decide that the settlement of redemption requests may be deferred in accordance with the constitution. You should note that deferred settlement means that Investors will need to wait for a time period before they can receive their redemption proceeds.

Risks Associated with Fund operations

Custody risk

The Trustee has appointed the Custodian (which is not part of the same group of companies as the Trustee) to safe keep the assets of the Funds. Investors are exposed to the risk of the Custodian (or its sub-custodians) not being able to fully meet its obligation to return in a short time frame all of the assets of a Fund held at the Custodian (or a sub-custodian) in the case of its insolvency. A Fund's securities are generally held for the benefit of the Fund's Investors off the Custodian or its sub-custodian's balance sheet and, where practical, on trust. Assets are generally not co-mingled with the Custodian's (or its sub-custodian's) assets. This provides protection for the Fund's securities in the event of the insolvency of the Custodian (or its sub-custodian), but does not exclude the risk that the assets will not be returned promptly in the event of insolvency.

A Fund's assets may also be pooled with the securities of other clients of the Custodian (or sub-custodian). In this circumstance, if there were problems with the settlement or custody of any security in the pool then the loss would be spread across all clients in the pool and would not be restricted to the client whose securities were subject to loss.

In addition, a Fund may be required to place assets outside of the Custodian's (or the sub-custodian's) safekeeping network in order for the Fund to trade in certain markets. In such circumstances the Custodian remains in charge of monitoring where and how such assets are held. However in the event of a loss neither the Custodian, having fulfilled its monitoring function, and/or the sub-custodian shall be liable and a Fund's ability to receive back its cash and securities may be restricted and a Fund may suffer a loss as a result. In such markets, Investors should note that there may be delays in settlement and/or uncertainty in relation to the ownership of a Fund's investments which could affect the Fund's liquidity and which could lead to investment losses.

Cash held on deposit with the Custodian or its sub-custodian is not segregated from the assets of the Custodian or its sub-custodian and is held at the risk of the Fund.

Account Bank Risk: Distress Events

An investment in a Fund is subject to the risk that the account banks where potential investors or Unitholders send their subscription monies and the Trustee on behalf of the Fund sends redemptions monies and other payments to Unitholders fail to perform or timely perform their obligations or experience insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Credit Suisse, Silicon Valley Bank and Signature Bank in March 2023 (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. If an account bank experiences a Distress Event, the Trustee on behalf of the Fund may not be able to access such monies or other services provided by the account bank, either in part or in full, permanently or for an extended period of time. Although monies held by account banks may be protected or guaranteed up to stated balance amounts by applicable countries' and/or organisations' deposit protection or guarantee schemes, amounts in excess of the relevant protected/guaranteed amounts are subject to risk of total loss. Where such schemes or regimes do exist, there remains no guarantee they will be accessible by or open to the Trustee on behalf of the Fund. Any jurisdictions where bank accounts are held by the Trustee on behalf of the Fund that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking conditions. Neither the Trustee, nor any member of the Ninety One Group will be liable to potential investors or Unitholders for the failure of an account bank owing to a Distress Event or otherwise, nor to take any action on their behalf and if an account bank cannot repay all of its creditors and depositors to whom it owes money, any shortfall will be subject to applicable insolvency laws or banking resolution procedures and may result in total loss of any deposits held with the affected account bank.

Fair value pricing risk

Fair value pricing adjustments may be made to the price of an underlying asset of a Fund, at the absolute discretion of the Trustee, to reflect predicted changes in the last available price between the market close and the Valuation Time. There is, however, a risk that this predicted price is not consistent with the subsequent opening price of that security.

Fraud risk

A Fund's assets may be subject to fraud. This includes but is not limited to fraudulent acts at the custody level such that the Custodian or its sub-custodian does not maintain books and records that reflect the beneficial ownership of the Fund to its assets. Fraud may also arise with regards to counterparty default and/or fraudulent acts of other third parties.

Fund legal action risk

There is no certainty that any legal action taken by a Fund against its service providers, agents, counterparties or other third parties will be successful and Investors may not receive compensation in full or at all for any losses incurred. Recourse through the legal system can be lengthy, costly and protracted. Depending on the circumstances, a Fund may decide not to take legal action and/or a Fund may decide to enter into settlement negotiations which may or may not be successful.

Liquidity risk – Investor activity

Subscriptions, conversions or redemptions of Units in a Fund may have an impact on the other Investors, which is commonly known as dilution or concentration.

To match subscriptions, conversions and redemptions of Units from a Fund, assets may be bought or sold and such transactions may incur costs that the Fund must meet. Where a Fund is forced to buy or sell a significant volume of assets relative to the liquidity normally available in the market, it may affect the price at which those assets are bought or sold (and this may be different from the price at which they are valued), therefore having a dilutive or concentrative impact for the other Investors. In addition, the weighting of different holdings within the portfolio may change, therefore altering the construction and composition of the Fund. The impact will vary to a lesser or greater extent depending on the volume of transactions, the purchase and sale price of the assets and valuation method used to calculate net asset value per Unit of the Fund.

The Trustee may at its discretion, but always acting in the best interests of Investors, in times of illiquidity, utilise liquidity management tools including, without limitation, the power to defer redemptions and/or settlement of redemptions and suspend the calculation of the net asset value per Unit and/or, where applicable, the issue, redemption and conversion of Units of any class in any Fund on temporary basis, in the circumstances described under Section 4.

Tax risk

Tax laws may change without notice and may impose taxes on a retrospective basis, including, without limit, the imposition or increasing of taxes on income and/or gains which might affect return from a Fund. Taxes may be deducted at source in respect of the Fund's investments without notice to the Fund, the Trustee and/or the Investment Manager. Tax charged may vary between Investors. Tax law and practice may also be unclear, leading to doubt over whether taxes may ultimately become due. Local tax procedures may have the effect of limiting or denying the reclaim of such taxes deducted, that might otherwise be available.

Third party operational risk (including counterparty risk – service providers)

The Fund's operations depend on third parties, either for the purpose of segregating duties, or due to delegation/outsourcing of functions by the Trustee. Investors in the Fund may suffer disruption or financial loss in the event of third-party operational failure.

Subscale risk

If a Fund does not reach or maintain a sustainable size, this will constrain the Investment Manager from implementing all of the investment decisions that it would like to for the Fund and/or the effect of charges and expenses may be higher than anticipated and the value of the investment consequently reduced. Also, in accordance with the Constitution, a Fund may be liquidated if it does not reach assumed sustainable size and is no longer viable to operate.

Part B - Specific Risks

Risks Associated with investment strategy

Commodities risk

Investing in commodity-linked derivative instruments, exchange traded instruments and / or the equity securities of commodity-related companies may subject the Fund to greater volatility than investments in traditional securities.

The commodities markets may fluctuate widely based on a variety of factors. Movements in commodity prices are outside of the Fund's control and may not be anticipated by the Investment Manager. Price movements may be influenced by amongst other things:

- governmental, agricultural, trade, fiscal, monetary and exchange control programs and policies;
- changing market and economic conditions, market liquidity;
- weather and climate conditions;
- changing supply and demand relationships;
- the availability of transportation systems;
- Energy conservation;
- the success of exploration projects;
- changes in international balances of payments and trade; domestic and foreign rates of inflation;
- currency fluctuations;
- domestic and foreign political and economic events;
- domestic and foreign interest rates and / or investor expectations concerning interest rates;
- domestic and foreign governmental regulation and taxation;
- war, acts of terrorism and other political upheaval and conflicts;
- governmental expropriation; and
- investment and trading activities of mutual funds, hedge funds and commodities funds.

The frequency and magnitude of such changes cannot be predicted.

Concentration risk

Funds which invest in a concentrated portfolio of holdings may be more volatile than more broadly diversified funds.

Income priority risk

Where a Fund gives priority to income over capital growth this may constrain the rate of future capital and income growth.

Distribution of implied yield risk

Distributable income in some Funds may include an implied yield accrued from certain investments (e.g. foreign exchange forward transactions). This may constrain long-term capital and income growth for Units in such Funds. If the implied yield is negative this could reduce the distributable income. In addition, this distribution policy may have tax implications for an investment in such Units. If in doubt, please consult your professional tax adviser. It should be noted that the distribution of the implied yield may cause greater fluctuations in a Fund's net asset value.

Sustainable Investing Risk

Sustainable, impact or other investment strategies that promote environmental or social characteristics consider specific factors related to their strategies in assessing and selecting investments. As a result, they may exclude certain areas of their investment universes (e.g. industries, companies or countries) that do not meet their criteria. This may result in their portfolios being different from broader benchmarks or investment universes, which could in turn result in relative investment performance deviating from the performance of the broader market.

Other risks associated with sustainability-focused Funds may be caused by the following factors:

- lack of standardised regulatory standards on data collection and transformation of that data;
- lack of standardised corporate reporting standards on sustainability;
- limited accuracy of sustainability data due to self-reporting with limited audits and/or differing methodologies;
- faulty estimates by data providers if companies do not report sustainability data; and
- large-cap bias in data reporting.

As investors may differ in their views of what constitutes sustainable investing, a Fund may invest in companies or issuers that do not reflect the personal beliefs and values of particular investors.

Sector and/or geographical risk

Sector and/or geographical risk

Funds that restrict investment to a small number of related sectors and / or geographical locations will be subject to risks specific to those sectors and/or locations and may decline even while broader based market indices are rising.

Risks associated with equity investments

Equity investment risk

The value of equities and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Real estate securities risk

While typically more diversified, investing in real estate companies and Real Estate Investment Trusts ('REITs') may result in risks similar to those associated with the direct ownership of real estate, including losses from casualty or condemnation, changes in local and general economic conditions, vacancy rates, interest rates, zoning laws, regulatory limitations on rents, property taxes, and operating expenses in addition to acts that destroy real property. Some REITs may invest in a limited number of properties, in a narrow geographic area or in a single property type, which increases the risk that a fund could be unfavourably affected by the poor performance of a single investment or investment type.

These companies are also sensitive to the management skill and creditworthiness of the issuer. Many issuers of real estate related securities are highly leveraged, which increases the risk to holders of such securities. The value of the securities the Fund buys will not necessarily track the value of the underlying investments of the issuers of such securities. In addition, REITs may also be affected by tax and regulatory requirements in that a REIT may not qualify for preferential tax treatments or exemptions.

Smaller companies risk

Smaller company shares may be less liquid and more volatile than the shares of larger companies due to the smaller market capitalisation and the frequently less diversified and less established nature of their businesses. These factors can create a greater potential for capital losses.

Style Bias risk

Certain investment strategies adhere to a specific style or overall investment philosophy when selecting investments for a Fund. This can result in particular characteristics (or styles) being exhibited at a Fund level, for example value, quality or growth characteristics.

This may result in the portfolios of these Funds being substantially different from broader benchmarks or investment universes, which could in turn result in relative performance deviating significantly from the performance of the broader market for potentially long periods of time.

Risks associated with derivative investments

Cash flow risk

A Fund may have insufficient cash to meet the margin calls necessary to sustain its position in a derivatives contract. This may result in a Fund having to close a position (or sell other securities to raise the cash) at a time and/or on terms that it may otherwise not have done. This could lead to capital losses for the Fund.

Derivatives risk

The use of derivatives may lead to large changes in the value of a Fund and includes the potential for large financial loss.

The value of a derivative typically depends on the value of an underlying asset. However, the value of the derivative may not be 100% correlated with the value of the underlying asset and therefore a change in the value of the asset may not be matched by a proportionate corresponding change in the value of the derivative. This is known as basis risk.

EMIR Clearing: Client Segregation Model risk

EMIR requires clearing members of central counterparties established in the European Union to offer their clients the choice between omnibus accounts and individual accounts in relation to their centrally cleared over-the-counter (OTC) derivative transactions.

The omnibus account option is the minimum standard of client protection permitted under EMIR. Omnibus accounts are accounts at the level of the central counterparty which contain the OTC derivative positions and the related collateral of several of the clearing member's clients. The pooling of client positions and collateral in this way means that assets related to a client could be used to cover the losses of other clients following a clearing member default. Individual accounts only contain the positions and collateral of the respective account holder and therefore offer a higher level of client protection compared to an omnibus account structure.

For omnibus accounts, a further distinction is made between net omnibus accounts and gross omnibus accounts. In a gross omnibus account, which is the type of account the Fund has selected, positions are recorded on a gross basis by the clearing member for each of its clients and collateral is calculated on a gross basis. In contrast, in a net omnibus account there is netting between the different clients' positions and collateral is calculated on a net basis. Accordingly, a gross omnibus account results in less risk for the respective client as following a clearing member default, there is likely to be a larger pool of collateral available to be returned to clients than would be the case in respect of a net omnibus account.

Exchange derivatives risk

Futures contracts may have restricted liquidity due to certain exchanges limiting fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". These prevent trades from being executed at prices beyond the daily limits during a single trading day. Also, once the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit.

Leverage risk

Where a Fund uses derivatives to create aggregate exposure that is greater than its net assets, this may lead to potentially large financial loss. This also creates the effect that the Fund will have greater exposure to certain risks that are associated with the use of derivatives (e.g. counterparty risk – Trading, OTC derivatives risk and market risk).

OTC derivative instruments Risk

In general, there is less government regulation and supervision of transactions in over the counter ('OTC') markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions.

Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

OTC derivatives expose the Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Investors should also refer to the risk factor Counterparty risk – trading.

Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the relevant Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the relevant Fund.

EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing.

The Fund may enter into OTC derivatives cleared through a clearing house that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate the risk completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by the Fund of its margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly reported to the relevant Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the central counterparty will try to transfer or "port" the Fund's transactions and assets to another clearing broker or, if this cannot be achieved, the central counterparty will terminate the Fund's transactions. The early termination of transactions in this context mat result in significant losses to the Fund and there may be a considerable delay in the return of any net sum due to the Fund while insolvency proceedings in respect of the clearing broker are ongoing. In the event that other parties in the clearing structure default (e.g. the central counterparty, custodian, settlement agent or any other clearing brokers instructed by the Fund's clearing broker), the Fund may not receive all of its assets back, suffer material delay and uncertainty around when and how much assets will be returned and its rights may differ depending on the law of the country in which the party is incorporated and the specific protections that party has put in place.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the transaction. While this type of arrangement allows greater flexibility to tailor the transaction to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

Short exposure risk

Where a Fund uses derivatives to create short exposure there is potential for gains to be made when the underlying securities are falling in value, but a loss could be incurred when the underlying security is rising in value. This means the Fund's performance will be less closely related to the performance of the type of assets in which it will ordinarily invest.

Credit default swaps and other synthetic securities risk

A portion of a Fund's investments may consist of credit default swaps and other synthetic securities the reference obligations of which may be leveraged loans, high-yield debt securities, investment grade securities, credit indices or similar securities. Investments in such types of assets through the purchase of credit default swaps and other synthetic securities present risks in addition to those resulting from direct purchases of such investments. With respect to each synthetic security, the Fund will usually have a contractual relationship only with the counterparty of such synthetic security, and not have a direct claim over the underlying assets, or direct rights or remedies against the issuer of such assets. In the event of the insolvency of the counterparty, the Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the underlying assets. Consequently, the Fund will be subject to the credit risk of the counterparty as well as that of the issuer of the underlying assets.

Additionally, while the Investment Manager expects that the returns on a synthetic security will generally reflect those of the related underlying assets, as a result of the terms of the synthetic security and the assumption of the credit risk of the synthetic security counterparty, a synthetic security may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default. Additionally, when compared to the reference obligation, the terms of a synthetic security may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or non-credit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the synthetic security, the terms of the synthetic security may permit or require the issuer of such synthetic security to satisfy its obligations by delivering to the relevant Fund securities other than the underlying assets or an amount different than the then current market value of the underlying assets.

Risks Associated with emerging market investments

Emerging markets risk

Emerging markets equity and debt investments may be more volatile and less liquid than investments in developed markets and the investments of the Funds in such markets may be subject to delays in settlement. Emerging markets local currencies may not be freely convertible and may experience substantially greater volatility against the US Dollar and other developed countries currencies than the major convertible currencies of developed countries. Adverse fluctuations in exchange rates of emerging markets local currencies, which may occur quickly and unpredictably, can result in a decrease in a net return for a Fund investing in or exposed to emerging markets local currencies and in a loss of capital. In addition, there may be a higher than usual risk of political, economic, social and religious instability and of adverse changes in government regulations than in developed markets. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

Frontier Markets risk

Frontier markets, a subset of emerging markets considered to be less mature in terms of market size, liquidity and their degree of economic and political development, may be more volatile and present greater risks than other emerging or developed markets. Some of these markets may be characterised by poor liquidity, narrow economies based on only a few industries, government instability, greater risk of asset expropriation or nationalisation or under-developed regulatory systems and corporate governance standards resulting in lower protections for investors. These markets are also more likely to have investment and repatriation restrictions, exchange controls and less developed custodial and settlement systems than other developed and emerging markets. As a result, the Fund may be adversely impacted.

Investment in China risk

To the extent that a Fund invests in securities issued in mainland China, it will be subject to risks inherent in the Chinese market as described in more detail below.

Chinese political and social risks:

Any political changes, social instability and adverse diplomatic developments which may take place in or in relation to China could result in the imposition of additional governmental restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the Fund's assets. Investors should also note that any change in the policies of the government and relevant authorities of China may adversely impact the securities markets in China as well as the performance of the Fund.

Chinese economic risks:

The economy in China has experienced significant and rapid growth in the past twenty years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the Chinese economy. Economic growth has also been accompanied by periods of high inflation. The Chinese government has implemented various measures from time to time to control inflation and restrain the rate of economic growth. Furthermore, the Chinese Government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of China. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the Chinese Government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those policies may have an adverse impact on the Chinese markets and therefore on the performance of the Fund.

Chinese legal system risks:

The Chinese legal system is based on written laws and regulations. However, because many of these laws and regulations, especially those that affect the securities market, are relatively new and evolving, the enforceability of such laws and regulations is uncertain. Such regulations also empower the China Securities Regulatory Commission (CSRC) and the State Administration of Foreign Exchange in China (SAFE) to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application. In addition, as the legal system develops, there can be no assurance that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the business operations of Chinese companies which may impact the value of investments held by the Fund.

Risk of government control of currency conversion and future movements in exchange rates:

The conversion of onshore renminbi (RMB) in China into another a currency is subject to SAFE approvals and the conversion rate is based on a managed floating exchange rate system which allows the value of onshore RMB to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. There can be no assurance that the onshore RMB exchange rate will not fluctuate widely against the US Dollar or any other foreign currency in the future.

Chinese accounting and reporting standards risks:

Chinese companies which may issue securities to be invested by the Fund are required to follow Chinese accounting, audit and reporting standards and practices. These may be less rigorous than international equivalents, and there may be significant differences between financial statements prepared in accordance with Chinese standards and those prepared in accordance with international accounting standards. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

Chinese financial markets risks:

Investors should note that the financial markets in China are at a developing stage and trading volumes may be lower than those in more developed financial markets. Market volatility and potential lack of liquidity due to low trading volumes may result in prices of securities fluctuating significantly, which could result in substantial volatility in the net asset value of the Fund. The regulatory and legal framework for capital markets and securities in China is still developing when compared with those of developed countries.

Risks linked to intervention of the government in financial markets:

The Chinese government and regulators may intervene in the financial markets in China, such as by imposing trading restrictions, a ban on "naked" short selling or suspending short selling for certain securities. This intervention may affect the activities of the Fund, and may have an unpredictable impact on the Fund. Furthermore, this intervention may have a negative impact on overall market sentiment, which may in turn affect the performance of the Fund.

Chinese brokerage risks:

The execution and settlement of transactions or the transfer of any funds or securities in China may be conducted by brokers ('PRC Brokers') appointed by the Investment Manager. There is a risk that the Fund may suffer losses, whether direct or indirect, from the default or bankruptcy of a PRC Broker or disqualification of the same from acting as a broker. This may adversely affect the Fund in the execution or settlement of any transaction or in the transfer of any funds or securities. Reasonably competitive commission rates and prices of securities will generally be sought to execute the relevant transactions in Chinese markets. It is possible that, in circumstances where only a single PRC Broker is appointed, where it is considered appropriate to do so by the Investment Manager, the Fund may not necessarily pay the lowest commission or spread available, but the transaction execution will be consistent with best execution standards and in the best interest of the Investors. Notwithstanding the foregoing, the Investment Manager will seek to obtain the best net results for the Fund, taking into account such factors as prevailing market conditions, price (including the applicable brokerage commission or dealer spread), size of order, difficulties of execution and operational facilities of the PRC Broker involved and the PRC Broker's ability to position efficiently the relevant block of securities.

In its selection of PRC Brokers, the Investment Manager will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the Investment Manager considers it appropriate, it is possible that a single PRC Broker will be appointed and Fund may not necessarily pay the lowest commission available in the market.

Risks linked with dealing in securities in China:

Investments in China are currently subject to certain additional risks, particularly regarding the ability to deal in securities in mainland China. Dealing in certain Chinese securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the Investment Manager may determine from time to time that making direct investments in certain securities may not be appropriate for the relevant Fund. As a result, the Investment Manager may choose to gain exposure to Chinese securities indirectly (for example, by way of derivatives or promissory notes which qualify as transferable securities) and may be unable to gain full exposure to the Chinese markets.

Risks linked to debt securities issued by Chinese companies on offshore markets:

For Funds which are permitted to invest in debt securities issued by Chinese companies on offshore markets, investors should be aware that certain structures are typically put in place to enable such transactions. Usually the Chinese company ('sponsor company') will raise debt capital by creating a special purpose offshore debt fund ('OSDF') which issues debt securities to foreign investors. The OSDF then uses the proceeds of such debt issuance to participate in the capital of the sponsor company through the subscription of equity securities. The OSDF usually has no direct security over the underlying assets of the sponsor company and the OSDF is therefore likely to suffer losses in the event of a failure of the sponsor company. Furthermore, the sponsor company can only transfer money to the OSDF in the form of after-tax dividends and only with the approval of the relevant Chinese regulatory authorities. Dividends can only be paid when the sponsor company is making a profit. In order to meet the obligations arising upon the debt issue maturing the OSDF may need to seek further injections of capital by way of issuing new debt.

Risk of cash holdings and indirect investments impacting investment performance:

Due to the operational requirements of the Renminbi Qualified Foreign Institutional Investor ('QFI') regime, and in order to manage subscriptions, conversions and redemptions in the Fund, the Investment Manager may (i) hold higher levels of cash in the Fund; and/or (ii) hold investments that provide indirect exposure to securities issued in China.

These two methods may negatively impact the Fund's investment performance.

Other applicable risks:

Investors should also note the following risk factors, which may be applicable to the Fund, each of which is described in more detail in this Appendix: China A Shares Risk, China Credit Rating Risk, China Tax Risk, Renminbi Currency Risk, STAR Board Market Risks, Stock Connect Risk and QFI Risk.

China A Shares risk

Risk of volatility:

The existence of a liquid trading market for China A Shares (RMB denominated shares of companies based in mainland China listed on Chinese exchanges) may depend on whether there is supply of, and demand for, China A Shares. The price at which securities may be purchased or sold by the Fund and the net asset value of the Fund may be adversely affected if trading markets for China A Shares are limited or absent. The China A Share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). Market volatility and settlement difficulties in the China A Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the Fund.

Risk of trading limitations:

Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits are imposed by the stock exchanges on China A Shares, where trading in any China A Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Investment Manager to liquidate positions and could thereby expose the Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Investment Manager to liquidate positions at a favourable price, which could thereby expose the Fund to significant losses.

China A Shares may only be bought from, or sold to, the Fund from time to time where the relevant China A Shares may be sold or purchased on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, as appropriate.

Given that the China A Share market is considered volatile and unstable (with the risk of suspension of a particular stock or government intervention), the subscription and redemption of Units may also be disrupted.

China Credit rating risk

Some of the debt securities held by the Fund may have been assigned a credit rating by a local Chinese credit rating agency. The rating criteria and methodology used by these agencies may be different from those adopted by most of the established international credit rating agencies (e.g. S&P, Moody's or Fitch). Therefore, the rating systems of these agencies may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.

In selecting the Fund's debt securities, the Investment Manager may refer to credit ratings assigned by local Chinese credit rating agencies but will primarily rely on its own internal analysis to evaluate each debt security independently.

Investors who base their decision to investment in a Fund on credit ratings should pay special attention to the above risk warning.

China tax risk

Income and gains derived from China may be subject to withholding tax and Value Added Tax ('VAT') and relevant surcharges on VAT. The interpretation and applicability of existing Chinese tax laws may not be as consistent and transparent as those of more developed nations, and may vary from region to region. There is a possibility that the current tax laws, regulations, and practice in China may be changed with retrospective effect in the future. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any of these changes may reduce the income from, and/or value of, the Fund's investments. The Chinese government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect the after-tax profit of Chinese companies and foreign investors in such companies, such as the Fund. There can be no guarantee that new tax laws, regulations, and practice in China that may be promulgated in the future will not adversely impact the tax exposure of the Fund and/or its Investors.

As at the date of this Prospectus, the Chinese tax authorities have issued relevant tax circulars clarifying, amongst other things, the tax treatment in relation to Stock Connect QFI:

Stock Connect:

The Chinese tax authorities have clarified that:

- an exemption from income tax and VAT on capital gains applies to trading on Stock Connect (this is stated to be a temporary exemption, but no expiry date is provided);
- normal Chinese stamp duty is payable at a rate of 0.1% of the sales consideration ; and
- a 10% dividend withholding tax will be applied unless the rate is reduced under an applicable tax treaty.

QFI:

The Chinese tax authorities have clarified, in relation to QFI, that a corresponding exemption from income tax on capital gains in relation to equity securities and other equity investments applies, effective from 17 November 2014. The VAT and surcharges are also temporarily exempted on the capital gains in relation to the sales of securities. Dividend and interest are normally subject to 10% withholding tax.

Renminbi currency risk

The Renminbi is not a freely convertible currency and is subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government. Exchange control regulations or any changes thereto may cause difficulties in the repatriation of funds, and the performance of the Fund's investments, in particular, may be affected.

Renminbi convertibility is subject to foreign exchange control policies of and repatriation restrictions. Converting foreign currencies into Renminbi is carried out on the basis of the rate applicable to offshore Renminbi ("CNH"). The daily trading price of CNH against other major currencies in the inter-bank foreign exchange market is floating in a band around the central parity published by the People's Bank of China ("PBC"). The value of the CNH may differ, perhaps significantly, from the value of onshore RMB ("CNY") due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions applied by the Chinese government from time -to -time as well as other external factors and market forces.

The CNH market is in early development and there may be periods in which it is difficult for market participants to obtain or dispose of CNH. Furthermore, government or regulatory intervention in the CNH market may impact the availability and/or convertibility of CNH. In such situations, the exchange rate may fluctuate substantially and it may not be possible to obtain an exchange rate through any customary channel.

QFI risk

Certain Funds (the "QFI Funds") may invest in securities issued in Mainland China in accordance with their investment objective and policies. Other than risks involved in investments made on a worldwide basis and in emerging markets, as well as other risks of investments generally as described elsewhere in this Appendix 1 which are applicable to investments in China, investors in the QFI Funds should note the additional specific risks below.

Concentration risk:

Some of the QFI Funds might be concentrated in securities issued by companies either incorporated in mainland China, or which derive most of their revenue from mainland China or which have substantial exposure to mainland China. As such, the performance of the QFI Funds may be subject to price volatility, and more susceptible to the effects of any single economic, market, political or regulatory occurrence.

Custody risk for investment in China:

The Investment Manager (in its capacity as an QFI) has appointed HSBC China (the "QFI Local Custodian") as its QFI custodian to maintain the QFI assets in custody in China, pursuant to relevant laws and regulations. According to the QFI rules and regulations and market practice, onshore Chinese securities are registered in accordance with these rules and regulations, and maintained by the QFI Local Custodian in electronic form via a securities account with the China Securities Depository and Clearing Company and cash shall be maintained in a cash account with the QFI Local Custodian. The Custodian will make arrangements to ensure that the QFI Local Custodian has appropriate procedures in place to properly safe-keep the QFI Fund's assets including maintaining records that clearly show that such QFI Fund's assets are recorded in the name of that QFI Fund and segregated from the other assets of the QFI Local Custodian. The Chinese regulators have affirmed their recognition of the concepts of nominee holders and beneficiary owners, and the QFI rules and regulations also specify the assets held within an account belong to the client or the fund and should be independent from the assets of the QFI or QFI Local Custodian, despite the registration naming convention of the account. However, this has not been tested in court and such assets may be vulnerable to a claim by creditors or a liquidator of the Investment Manager who incorrectly assume that a QFI Fund's assets belong to the Investment Manager, meaning the assets may not be as well protected as if they were registered solely in the name of the QFI Fund.

Cash shall be maintained in a cash account with the QFI Local Custodian. Investors should note that cash deposited in the cash account of a QFI Fund with the QFI Local Custodian will not be segregated but will be a debt owing from the QFI Local Custodian to that QFI Fund as a depositor. Such cash will be co-mingled with cash that belongs to other clients or creditors of the QFI Local Custodian. In the event of bankruptcy or liquidation of the QFI Local Custodian, a QFI Fund will not have any proprietary rights to the cash deposited in such cash account, and that QFI Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the QFI Local Custodian. The QFI Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the QFI Fund will suffer losses.

PRC Broker risk:

The Investment Manager also selects the PRC Broker to execute transactions for a QFI Fund in the onshore Chinese markets. Should, for any reason, a QFI Fund's ability to use the relevant PRC Broker be affected, this could disrupt the operations of a QFI Fund. A QFI Fund may also incur losses due to the acts or omissions of the relevant PRC Broker(s) in the execution or settlement of any transaction or in the transfer of any funds or securities. In the event of any default of the relevant PRC Broker (directly or through its delegate) in the execution or settlement of any transaction or in the transfer of any funds or securities in the mainland China, a QFI Fund may encounter delays in recovering its assets which may in turn adversely impact the net asset value of such QFI Fund.

QFI regime risk:

Under current Chinese laws and regulations, the QFI Fund's investments in the Chinese securities can only be made by or through an QFI, within certain investment quota as approved under and subject to applicable Chinese regulatory requirements. The QFI regime is governed by rules and regulations as promulgated by the Mainland Chinese authorities.

The QFI Funds are not themselves QFIs, but they may obtain access to the Chinese domestic securities market using the Investment Manager's QFI quota licence.

Investors should note that QFI status could be suspended or revoked at any time, which may have an adverse effect on an QFI Fund's performance as the Fund may be required to dispose of its securities holdings over a short period. In addition, certain restrictions imposed by the Chinese government on QFIs (including on investment restrictions, minimum holding periods, and repatriation of principal and profits) may have an adverse effect on an QFI Fund's liquidity and performance.

SAFE regulates and monitors the repatriation of funds out of China by an QFI. Repatriations by QFIs in respect of an open-ended fund (such as the QFI Funds) conducted in Renminbi are currently not subject to repatriation restrictions or prior approval, although the QFI Local Custodian reviews authenticity and conducts compliance reviews with the QFI rules and regulations on each repatriation, and monthly reports on remittances and repatriations will be submitted to SAFE by the QFI Local Custodian. There is no assurance, however, that the Chinese rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on an QFI Fund's ability to meet redemption requests from Investors. Furthermore, as the QFI Local Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the QFI Local Custodian in case of non-compliance with the QFI rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming Investor as soon as practicable and after the completion of the repatriation of funds concerned. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.

The SAFE may impose regulatory sanctions if the QFI or the QFI Local Custodian violates any provision of the QFI Measures. Any violations could result in the revocation of the QFI's licence or other regulatory sanctions.

Investors should note that there can be no assurance that an QFI will continue to maintain its QFI status or to make available its QFI licence, or that redemption requests can be processed in a timely manner due to repatriation restrictions or adverse changes in relevant laws or regulations. Such factors may restrict the ability to process subscriptions and/or redemptions in a timely manner. In extreme circumstances, an QFI Fund may incur significant losses due, limited investment capabilities, or inability to fully implement or pursue its investment objective or strategy due to QFI investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution of trades or in settlement of trades.

The current QFI regulations are subject to change, which may take retrospective effect. Their application may depend on the interpretation given by the Mainland Chinese authorities. In addition, there can be no assurance that the QFI regulations will not be abolished. An QFI Fund, which invests in the Chinese domestic securities markets, may be adversely affected as a result of such changes.

STAR Board Market risk

Some Funds may invest in the stocks listed on the Science and Technology Innovation Board on the Shanghai Stock Exchange ("STAR Board Market"), by either participating in initial public offerings ("IPOs") of companies to be listed on the STAR Board Market, or purchasing stocks that have been listed on the STAR Board Market. Funds that invest in the STAR Board Market may be exposed to the risk factors described in the Investment in China Risk and the other China specific risk factors mentioned within that risk factor. In addition, the Funds will be exposed to the following risk factors:

Liquidity Risk

The STAR Board Market has strict investor eligibility requirements, and institutional and individual investors must meet such conditions to be allowed to invest in listed stocks on the STAR Board Market. As a result, the STAR Board Market may have limited liquidity relative to other stock markets.

De-listing Risk

The STAR Board Market's registration-based IPO system is likely to lead to more regular de-listing, while temporary listing suspension, listing resumption and re-listing systems have not been set under the STAR Board Market. As a result, companies listed on the STAR Board Market have greater exposure to de-listing risk.

Market Risk

Most companies listed on the STAR Board Market specialize in information technology, new materials, new energy, and biomedicine. These types of companies tend to be start-ups with uncertain earnings, cash flow and valuation prospects. Therefore, the stocks listed on the STAR Board Market have greater exposure to market risks, which may lead to greater price fluctuations.

Correlation Risk

Many of the companies listed on the STAR Board Market will be early stage technology enterprises with a relatively high degree of correlation. A market downturn may lead to significant systematic, correlation risk, which is a risk that a price fluctuation of a security will result in price fluctuations of all correlated securities.

Pricing Risk

Institutional investors will play a dominant role in quotation, pricing and placement activities of the STAR Board Market. Furthermore, given the typical characteristics of companies listed on the STAR Board Market, such as a high degree of technological innovation combined with uncertain performance prospects, only a limited number of comparable companies will be available in the marketplace. These conditions may lead to pricing difficulties, and after listing, the listed stocks on the STAR Board Market may face the risk of immediate and significant price fluctuation.

Government Policy Risk

The Chinese government may change its policy with respect to its support of the Chinese technological industry. If such policy change were to take place, it will have a major impact on companies listed on the STAR Board Market. In addition, changes in the global economic situation may also have policy-level implications for the Chinese government, which could impact the prices of stocks listed on the STAR Board Market.

Stock Connect risk

Funds investing in RMB Securities through the Stock Connect Regime

Stock Connect is the mutual market access programme through which foreign investors can deal in selected securities listed on the Shanghai Stock Exchange ('SSE'), the Shenzhen Stock Exchange ('SZSE') and such other a mainland China stock exchanges as permitted through the Hong Kong Stock Exchange ('SEHK') and the clearing house in Hong Kong, i.e. the Hong Kong Securities and Clearing Company ('HKSCC').

The securities which can be accessed through the Stock Connect programme are, for the time being, all constituent stocks of the SSE 180 Index, the SSE 380 Index and all SSE-listed China A Shares, as well as certain other securities, and selected securities listed on the SZSE including any constituent stock of the SZSE Component Index and SZSE Small/Mid

Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A Shares and H Shares (the 'Stock Connect Shares'). At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE may be limited. It is expected that the list of eligible securities which may be accessed through the Stock Connect programme will develop over time. In addition to the Stock Connect Shares described in this paragraph, the Fund may, subject to its investment policy, invest in any other security listed on the SSE or SZSE which is made available in the future through Stock Connect.

Risks linked with dealing in securities in China via Stock Connect:

To the extent that the Fund's investments in China are dealt via Stock Connect, such dealing may be subject to additional risk factors. In particular, Investors should note that Stock Connect is a new trading programme. The relevant regulations are untested and subject to change. Stock Connect is subject to quota limitations which may restrict the Fund's ability to deal via Stock Connect on a timely basis. This may impact the Fund's ability to implement its investment strategy effectively. Investors should note further that under the relevant regulations a security may be recalled from the scope of Stock Connect. This may adversely affect the Fund's ability to meet its investment objective, e.g. when the Investment Manager wishes to purchase a security which is recalled from the scope of Stock Connect.

Beneficial owner of the Stock Connect Shares

Stock Connect currently comprises a Northbound link, through which Hong Kong and overseas investors like the Funds may purchase and hold Stock Connect Shares, and a Southbound link, through which investors in Mainland China may purchase and hold shares listed on the SEHK. The Funds trade Stock Connect Shares through brokers who are a SEHK exchange participant. These Stock Connect Shares will be held following settlement by brokers or custodians as clearing participants in accounts in the Hong Kong Central Clearing and Settlement System ('CCASS') maintained by the HKSCC as central securities depositary in Hong Kong and nominee holder. HKSCC in turn holds these Stock Connect Shares of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depositary in mainland China.

Because HKSCC is only a nominee holder and not the beneficial owner of these Stock Connect Shares, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that these Stock Connect Shares will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under Mainland China law. However, HKSCC will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in these Shares in Mainland China. Foreign Investors, like the concerned Fund, investing through the Stock Connect holding the Stock Connect Shares through HKSCC are the beneficial owners of the assets and are therefore eligible to exercise their rights through the nominee only.

Not protected by Investor Compensation Fund

Investors should note that any Northbound or Southbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund nor the China Securities Investor Protection Fund and thus investors will not benefit from compensation under such schemes.

Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Examples of default are insolvency, in bankruptcy or winding up, breach of trust, defalcation, fraud, or misfeasance.

Quotas used up

Dealing on Stock Connect is subject to daily quota limitations. Once the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted.

Therefore, quota limitations may restrict the relevant Fund's ability to invest in Stock Connect Shares on a timely basis, and the relevant Fund may not be able to effectively pursue its investment strategy.

Difference in trading day and trading hours

Due to differences in public holiday between Hong Kong and mainland China or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours in the markets accessible through Stock Connect. Stock Connect will only operate on days when these markets are open for trading and when banks in those markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the mainland China market but it is not possible to carry out any Stock Connect Shares trading in Hong Kong. The investment manager should take note of the days and the hours during which Stock Connect is open for business and decide according to its own risk tolerance capability whether or not to take on the risk of price fluctuations in Stock Connect Shares during the time when Stock Connect is not trading.

The recalling of eligible stocks and trading restrictions

A stock may be recalled from the scope of eligible stocks for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of the Investment Manager. The Investment Manager should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by the Chinese and Hong Kong authorities.

Under Stock Connect, the Investment Manager will only be allowed to sell Stock Connect Shares but restricted from further buying if: (i) the Stock Connect Share subsequently ceases to be a constituent stock of the relevant indices; (ii) the Stock Connect Share is subsequently under "risk alert"; and/or (iii) the corresponding H share of the Stock Connect Share subsequently ceases to be traded on SEHK. The Investment Manager should also note that price fluctuation limits would be applicable to Stock Connect Shares.

Trading costs

In addition to paying trading fees and stamp duties in connection with Stock Connect Shares trading, the Funds carrying out trading via Stock Connect should also take note of any new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which would be determined by the relevant authorities.

Local market rules, foreign shareholding restrictions and disclosure obligations

Under Stock Connect, China A Shares listed companies and trading of China A Shares are subject to market rules and disclosure requirements of the China A Shares market. Any changes in laws, regulations and policies of the China A Shares market or rules in relation to Stock Connect may affect share prices. The Investment Manager should also take note of the foreign shareholding restrictions and disclosure obligations applicable to China A Shares.

The Investment Manager will be subject to restrictions on trading (including restriction on retention of proceeds) in China A Shares as a result of its interest in the China A Shares. The Investment Manager is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in China A Shares.

Under the current mainland China rules, once an investor holds up to 5% of the shares of a company listed in mainland China, the investor is required to disclose his or her interest within three working days and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his or her shareholding and comply with related trading restrictions in accordance with the mainland China rules.

According to existing mainland China practices, the Fund, as beneficial owners of China A Shares traded via Stock Connect, cannot appoint proxies to attend shareholders' meetings on their behalf.

Currency risks

Northbound investments by the Funds in the Stock Connect Shares will be traded and settled in RMB. If a Fund holds a class of shares denominated in a local currency other than RMB, the Fund will be exposed to currency risk if the Fund invests in a RMB product due to the need for the conversion of the local currency into RMB. During the conversion, the Fund will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Fund purchases it and when the Fund redeems / sells it, the Fund will still incur a loss when it converts the redemption / sale proceeds into local currency if RMB has depreciated.

The above may not cover all risks related to Stock Connect and any above mentioned laws, rules and regulations are subject to change.

Risk of ChinaClear default

ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. Pursuant to the General Rules of CCASS, if China Clear (as the host central counterparty) defaults, HKSCC will, in good faith, seek recovery of the outstanding Stock Connect Shares and monies from ChinaClear through available legal channels and through ChinaClear's liquidation process, if applicable.

HKSCC will in turn distribute the Stock Connect Shares and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect authorities. Although the likelihood of a default by ChinaClear is considered to be remote, investors should be aware of this arrangement and of this potential exposure before engaging in Northbound Trading.

Risk of HKSCC default

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect securities and/or monies in connection with them and a Fund and its Investors may suffer losses as a result. Neither the Trustee, Manager or

Investment Manager shall be responsible or liable for any such losses.

Ownership of Stock Connect Shares

Stock Connect Shares are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Shares are not available under the Northbound Trading for the Funds.

A Fund's title or interests in, and entitlements to Stock Connect Shares (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise. This is a complex and untested area of law.

Appendix 2: Application form and dealing instructions

How to obtain an Application Form

Eligible investors may obtain the Application Form by contacting Ninety One Australia Pty Limited on +61 (2) 9160 8400.

How to apply

Ninety One Australia Pty Limited
Level 28
The Chifley Tower
2 Chifley Square
Sydney
NSW 2000
Australia

Appendix 3: Glossary

Administrator
means the person providing transfer agency and other related administrative services for the Trustee, currently State Street Australia Limited (ABN 21 002 965 200).

AML/CTF Act
means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), as amended from time to time.

Application Account
means the bank account into which monies must be transferred when subscribing for Units in a Fund.

Application Price
the price at which a Unit is issued.

ASIC
means the Australian Securities and Investments Commission or any regulatory body which replaces it or performs its functions.

ATO
means the Australian Taxation Office.

Auditor
the auditor of the Funds, currently PricewaterhouseCoopers, an Australian partnership.

Australian IGA
means the Agreement between the Government of Australian and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA signed on 28 April 2014.

Business Day
For the Emerging Markets Equity Fund, means a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney, Guernsey and London. The Trustee may from time to time determine other days not to be business days (for example, Christmas Eve or New Year's Eve). The Trustee has determined that days on which relevant stock exchanges and/or markets in both Hong Kong and the People's Republic of China are closed shall not be Business Days. For a Business Day which is a Friday, that Business Day is extended to 4:00 pm New York City Time for the purposes of the applicable Valuation Time.

For the Global Franchise Fund, means a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney, Guernsey and London. The Trustee may from time to time determine other days not to be business days (for example, Christmas Eve or New Year's Eve). For a Business Day which is a Friday, that Business Day is extended to 4:00 pm New York City Time for the purposes of the applicable Valuation Time.

CFC
has the meaning ascribed to at Section 7.

CGT
means a tax on any chargeable gains which is or may be levied or becomes payable in connection with the disposal or deemed disposal of capital assets.

CRS
means the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information.

Constitution
means the Ninety One Australia Funds umbrella constitution, as amended from time to time.

Corporations Act
means the Corporations Act 2001 (Cth), as amended from time to time.

Custodian
means a person holding or appointed to hold the assets of the Fund as custodian for the Trustee, currently State Street Australia Limited (ABN 21 002 965 200).

Custody Agreement
means the agreement entered into between the Trustee and the Custodian.

ESG
means Environmental, Social and Governance.

FATCA
a. sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulations;

b. any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

c. any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

Fund or Funds
means each unregistered open-ended unlisted Australian unit trust constituted from time to time as part of the Ninety One Australia Funds range under the Constitution known as the "Ninety One Australia Funds", or all such unit trusts together as the context requires.

GST
means any goods and services tax, consumption tax, value-added tax or similar impost or duty which is or may be levied or becomes payable in connection with the supply of goods or services.

Investment Management Agreement
means the agreement entered into between the Manager and the Investment Manager.

Investment Manager
means the person appointed by the Manager to provide day to day investment management and other ancillary services to the Manager, currently Ninety One UK Limited.

Investor
means a holder of Units in the relevant Fund.

Management Agreement
means the agreement entered into between the Trustee and the Manager.

Management Cost
has the meaning ascribed in Section 2.

Manager
means the person appointed by the Trustee to provide day to day management of the Funds, currently Ninety One Guernsey Limited.

Memorandum
means this Information Memorandum for the Ninety One Australia Funds, as updated from time to time.

Ninety One Group
means Ninety One plc and Ninety One Limited and each of their subsidiary companies and subsidiary undertakings from time to time.

Nonparticipating Financial Institution
has the meaning ascribed to such term in the Australian IGA.

Privacy Act
means the *Privacy Act 1988* (Cth), as amended from time to time.

Redemption Price
the price at which a Unit is redeemed.

Registered Scheme
means a managed investment scheme registered with ASIC under Chapter 5C of the Corporations Act.

Registrar
means the person maintaining the register of Investors for the Trustee, currently State Street Australia Limited.

Representatives
means the Trustee's related bodies corporate, associates, and its (or its associates') directors, officers, advisers and employees or any other member of the Ninety One Group and their directors, officers, advisers or employees.

RITC
means a "reduced input tax credit" as defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) as amended from time to time.

Sub-Investment Manager
means each of the sub-investment managers appointed, from time to time, in relation to a Fund by the Investment Manager.

Trade Order Cut Off Time
means 2:00 p.m. Sydney time on a Business Day.

Trustee, Issuer, 'we', 'us', 'our'
Ninety One Australia Pty Limited.

Unit
means a unit in a Fund.

Valuation Time
means the point in time at which the net asset value of a Fund is calculated. Different Valuation Times may apply to different Funds and different Classes of Units of a Fund. Please refer to Section 2.

Wholesale Client
means a wholesale client within the meaning of Section 761G or 761GA of the Corporations Act.