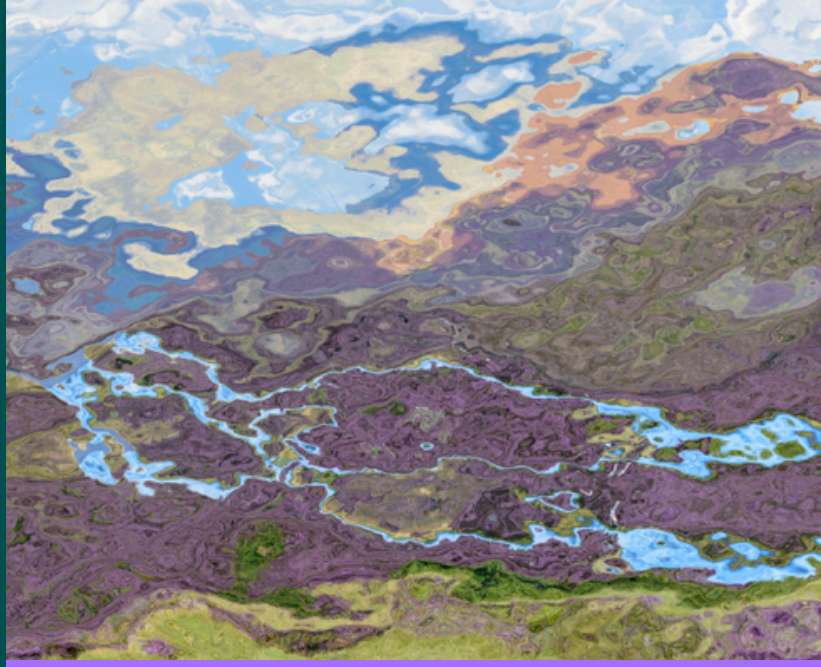
MUNRO CLIMATE CHANGE LEADERS FUND



MUNRO

Additional Information to the Product Disclosure Statement

Class A units | ARSN 654 018 952

21 October 2024

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Contact Details

Responsible Entity
GSFM Responsible Entity Services Limited
Level 1, 275 George Street
Sydney NSW 2000
gsfm.com.au

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Apex Fund Services – Unit Registry
GPO Box 4968
Sydney NSW 2001

Client Service
registry@apexgroup.com
Phone 1300 133 451

Read this

! The information in this document forms part of the Product Disclosure Statement (**PDS**) for the Class A units, being an unlisted class of units in the registered managed investment scheme Munro Climate Change Leaders Fund (ARSN 654 018 952) ABN 16 612 561 344 APIR Code GSF1423AU (**Fund**); dated 21 October 2024. Information in this document relates to the Class A units only and references in this document to 'units' or the 'Fund' refer to the Class A units, being an unlisted class of units in the Munro Climate Change Leaders Fund (ARSN 654 018 952) (**Scheme**). All rights and entitlements of a unit relates to the rights, entitlements, obligations, liabilities and other amounts referable to the Fund. No other fund, trust or class of units is offered in this PDS. **You should read this information together with the PDS before making a decision to invest into the Fund.** Terms in this document have the same meaning as in the PDS, except where implied otherwise. References in this document to the 'PDS' means the PDS and this document.

Unless identified to the contrary, all references to monetary amounts are to Australian dollars.

This document is issued by GSFM Responsible Entity Services Limited ABN 48 129 256 104, AFSL 321517, the responsible entity for the Fund (**GRES, Responsible Entity, we, us, our**).

GRES has appointed the general partnership, which trades as Munro Partners (**Munro**), as investment manager of the Fund (**Investment Manager**). Munro Partners has been appointed as an authorised representative (number 1244894) of Munro Asset Management Limited ABN 28 163 522 254 AFSL 480509 (**Munro Asset Management**).

This additional information is general information only and does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of the information in this document and the PDS having regard to your personal objectives, financial situation and needs before acting on the information contained in this document and the PDS.

You can obtain a copy of the PDS on our website gsfm.com.au or request a copy free of charge by calling 1300 133 451.

1 ABOUT GSFM RESPONSIBLE ENTITY SERVICES LIMITED

The Responsible Entity

There is no additional information for this section. Refer to the PDS.

The Investment Manager

Munro's investment philosophy focuses on identifying and investing in companies that have the potential to grow at a faster rate and more sustainable basis than the overall market.

The philosophy is based on three overriding principles:

1. **Earnings growth drives stock prices**
   Companies that consistently earn more than the year before are generally rewarded with higher stock prices over time.
2. **Sustained earnings growth is worth more than cyclical earnings growth**
   Consistent growth, independent of cyclical factors and above the peer group, is generally valued at higher multiples than otherwise.
3. **The market will often misprice growth and its sustainability**
   Consensus earnings estimates often underestimate growth, while pegging to market multiples will often underestimate the sustainability and cash generation capacity of that growth, allowing opportunities to invest in stocks well below their intrinsic value.

Key investment ideas are assessed through a combination of clear and defined quantitative and qualitative tests to build a portfolio of high conviction investments.

The investment team

Munro's investment team is led by CIO Nick Griffin. Nick has over 25 years' investment market experience, including managing global equity mandates out of Melbourne and Edinburgh for over 15 years.

James Tsinidis, the Co-Lead Portfolio Manager of the Fund, has 19 years' experience in financial services, with over a decade experience in global equity mandates.

Nick and James are responsible for implementation of the strategy of the Fund. They primarily spend their time on investment activities applicable to the investment strategy.

Nick and James are supported by the investment team, including Portfolio Managers, Jeremy Gibson, Kieran Moore and Qiao Ma, each of whom dedicates the time necessary for the implementation of the Fund's investment strategy, along with the other funds managed by Munro.

Portfolio Manager	Industry start date	Date joined Munro
Nick Griffin CIO, Co-Lead & Co-Founding Partner	February 1996	March 2016
James Tsinidis Co-Lead Portfolio Manager & Partner	November 2004	November 2016
Kieran Moore Portfolio Manager & Partner	March 2014	July 2016
Jeremy Gibson Portfolio Manager & Partner	September 2003	September 2017
Qiao Ma Portfolio Manager & Partner	January 2006	February 2023

Investment Strategy

Munro's investment strategy can be summarised as follows:

Munro is focused on growth

Of the over 50,000 listed companies in the world, many profess to be growing, but only a small portion actually grow independently of the broader economic cycle. This is where the Munro investment process focuses. Identifying sustainable growth trends, such as decarbonisation and climate change reduction, that are under appreciated and mispriced by the market, and the resulting winning stocks. Sustainable growth trends means durable, long-term structural changes that result in growth investment opportunities.

Munro goes the extra mile

Munro's comprehensive and disciplined investment process seeks earnings upside/ downside, valuation multiple upside/ downside and catalysts. This process eliminates those areas where the investment trends are well understood and appreciated by the market, while isolating ideas where the market has mispriced the growth and its sustainability.

Munro is a stock picker

The investment process generates a high hit rate of performing ideas and allows them to be appropriately sized and monetised over long time periods. Munro's concentration on stock and sector bets is important, while risk management, portfolio construction and rigorously eliminating underperforming positions are crucial to generating strong returns and outperformance over multiple cycles.

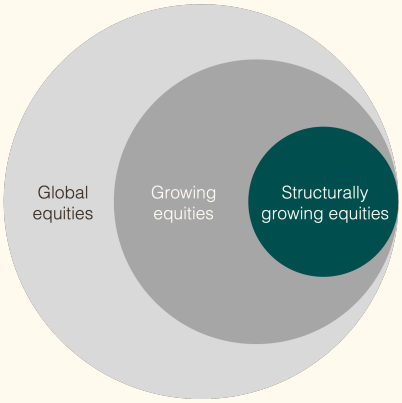
The Fund has an investment horizon of at least five years and may be suitable for investors seeking capital growth via exposure to a concentrated portfolio of high quality global growth equities enabling or benefiting from the transition to the decarbonisation of the planet via the four sub themes of clean energy, clean transport, the circular economy and energy efficiency and who are prepared to accept the risks of the Fund set out in Section 4.

Investment process

Munro's proprietary 4 step process generates a focused investment universe and filters these structural growth ideas into a concentrated portfolio of investments. This is achieved by leveraging top-down thematic views and Munro's bottom-up stock library to generate high conviction investment ideas. The full list of Munro's AoIs are listed on the Munro website munropartners.com.au/how-we-invest/areas-of-interest.

This Fund invests in Munro's Climate Area of Interest.

Step 1: Idea generation



Ideas are generated from a combination of top-down thematic and bottom- up views.

The investment management team identifies medium-to-long-term structural themes and the resulting investment trends, and distinguishes between trends that are well understood and priced-in by the market, and those that are under appreciated and overlooked.

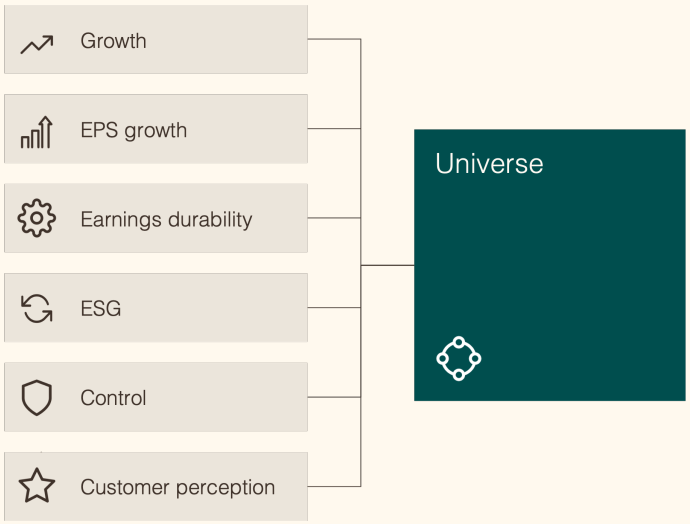
The goal of this first step is to identify potential investments that may qualify for Munro's focused universe of structurally growing equities.

The focused universe of structurally growing equities with structural advantages based on one of the following decarbonisation sub-themes:

- **Clean Energy** – Companies benefiting from the demand for carbon-free and renewable energy including energy generation covering wind, solar and renewable fuels.
- **Clean Transport** – Companies benefiting from the growth of electric vehicles, battery technology and other low carbon transportation.
- **Energy Efficiency** – Companies offering insulation products, electrical switches, lighting, metering and other energy efficient technologies.
- **Circular Economy** – Companies most likely to benefit from efforts to improve recycling, alternative packaging materials and management of waste, wastewater, agriculture technologies and other services aimed at reducing reliance on raw materials.

These sub-themes, or sub-trends, devoted to decarbonisation may change over time based on the qualitative and quantitative assessment of Munro.

Step 2: Idea evaluation qualitative



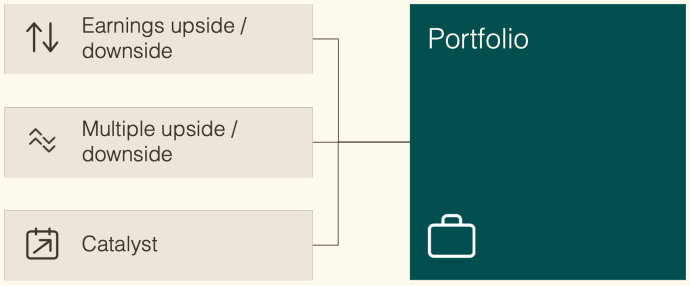
Once identified, key investment ideas must pass through six qualitative tests to be included in the universe of structurally growing equities.

Munro looks for the following six key company characteristics to gauge whether a listed company is likely to benefit or lose from a particular growth trend and whether that will be sustained over an extended period of time:

- **Growth:** included companies should exhibit faster revenue growth versus peers and a growing total addressable market;
- **Earnings per share (EPS) growth:** included companies should exhibit pricing power or economic leverage to be able to improve margins;
- **Earning durability:** included companies should exhibit an ability to sustain their growth due to scale, position, intellectual property and /or locational advantages;
- **ESG:** included companies should have strong management of environmental, social and governance risks and opportunities, determined through a proprietary ESG score;
- **Control:** included companies should exhibit strong management ownership, and incentives; and
- **Customer perception:** included companies should exhibit strong customer reviews and rapid adoption of its products and/or services.

Once investment ideas have been included in Munro's focused investment universe, they are then subjected to the three quantitative tests below before being considered for inclusion in the portfolio.

Step 3: Idea evaluation quantitative



- **Earnings upside/downside:** build in-house valuation model with bull and bear case scenarios to assess Munro's earnings assumptions versus consensus assumptions;
- **Multiple upside/downside:** evaluate a corporate characteristics score to determine the appropriate earnings multiple and subsequent price target; and
- **Catalysts:** map the catalyst calendar for the timing and magnitude of potential earnings and multiple re-ratings.

Having been evaluated via the quantitative tests, key investment ideas must rate highly in at least two of the three quantitative factors, with the potential for the investment to double in value within five to seven years of the initial investment, before inclusion in the portfolio.

Step 4: Portfolio construction

The qualitative and quantitative tests are then combined to build a collection of high conviction, index, region and sector unaware investments. These are then collated into a portfolio for the Fund while observing the guidelines stated in Section 5 of this booklet.

For further information on Munro, please visit munropartners.com.au.

2 HOW THE FUND WORKS

Details of how to make your initial investment are outlined in Section 8 **How to apply** of the PDS. Once you have made your initial investment in the Fund you can make one off additional investments and/or regular monthly investments using the regular monthly investment plan.

Making an additional application

You can add to your investment at any time by mailing or emailing us an Additional Application Form, which can be downloaded from our website, or by sending us your written instructions with your cheque marked not negotiable and made payable to:

'**Munro Climate Change Leaders Fund – Name of Applicant**'.

You may pay by direct debit, BPAY or electronic funds transfer (**EFT**).

If you are paying by direct debit, we require you to complete and sign the Direct Debit section of the Additional Application Form. This provides us with the authority to debit your account. Please ensure you have read the terms of the Direct Debit Service Agreement which follows in Section 9 of this booklet. It may take up to three business days for your application monies to clear from the date we issue a direct debit request to your bank. We will not issue units until your application monies have cleared. Direct debit requests can only be made from an Australian bank account.

If paying by BPAY please remit your application amount quoting your Customer Reference Number (**CRN**) and the BPAY biller code for the Fund. Your CRN will be issued to you as part of the online application process, or you can obtain your CRN and the Fund biller code by calling us on 1300 133 451 or emailing us at registry@apexgroup.com.

If paying by EFT, please deposit into the bank account set out on the Additional Application Form.

The minimum additional investment is $1,000.

Please ensure that applications are sent to the Apex Fund Services – Unit Registry address referred to in the PDS, or emailed to registry@apexgroup.com.

We accept no responsibility for applications that have been sent to an incorrect address. You are responsible for ensuring that you use the correct contact details.

The cut-off time each business day for receiving an application request is 2pm Sydney time. If we receive your application request by 2pm Sydney time we will process the transaction using that day's unit price. Requests received on or after the cut-off time or on a non-business day will generally be effective the next business day.

About your application money

Application money will be held in a bank account until invested in the Fund or returned to you. Monies will generally be held for a maximum period of one month from receipt. Any interest paid on that account will be paid to the Fund and not to you regardless of whether your application is successful. Once we receive your completed application form, the monies held will be divided by the next determined unit price to calculate the number of units allocated to you.

Incomplete or rejected application forms

We are not bound to accept an application and we accept no responsibility for applications that have been sent to an incorrect address or for funds that are paid to an incorrect account. You are responsible for ensuring that the Application Form is completed correctly and that you use the correct contact details. Your application may be delayed or not processed if you: do not provide the information requested; or provide us with incomplete or inaccurate information; or send your application to an incorrect address.

We will not be liable to any prospective investor for any losses incurred, including from market movements, if an application is rejected or the processing of an application is delayed.

Regular monthly investment plan

The regular monthly investment plan enables you to open an account to invest in the Fund and then to invest regular additional investment amounts each month via direct debit from a nominated account. The minimum initial investment for a regular monthly investment plan is $5,000 with a minimum ongoing monthly contribution of $200. To start a regular monthly investment plan, complete the relevant sections of the Application Form which includes an authority to directly debit the contributions from your nominated bank account.

Direct debits will be processed on the first business day following the 19th calendar day of each month.

You can amend, suspend or cancel your regular monthly investment plan at any time. You should ensure that we receive your instructions by the fifth calendar day of the month in which you wish your instructions to take effect.

Amending your investor details

To amend your investor details please send us your written instructions (or Change of Details Form) signed by the appropriate authorised signatory(ies). If we cannot satisfactorily identify you as the investor, we may either reject and refuse to process, or delay making the requested change(s) until we can confirm that the amendment instruction we have received is valid.

You may either mail or email changes relating to your account with the exception of changes relating to your nominated bank account which we require to be sent by mail. To enable us to verify that the bank account is in the name of the investor please include either a copy of the bank statement or a deposit slip for the new account.

Privacy and your personal information

GRES, its service providers or the Fund may collect, hold and use your personal information in order to assess your application, service your needs as an investor and provide facilities and services to you, and for other purposes permitted under the Privacy Act 1998 (Cth) and the Australian Privacy Principles (**APPs**). Other legislation may also require some of the information to be collected in connection with your application.

If you do not provide the information requested or provide us with incomplete or inaccurate information, your application may not be able to be processed efficiently, or at all. Your information may be disclosed to your financial adviser (if any) and to GRES's agents (including the Investment Manager) and service providers on the basis that they deal with such information in accordance with the privacy policy of GRES.

We do not currently directly disclose your personal information overseas, though our service providers may disclose this to their overseas affiliates. For more information, please review our privacy policy, available at gsfm.com.au, free of charge. Our privacy policy contains information about how you may complain about a breach of the APPs and how we will deal with this complaint.

A copy of the registry provider Apex Fund Services' Privacy Notice can be accessed at apexgroup.com/privacy-policy/privacy-policy-australia/.

To access to your personal information collected by us or if you have any concerns about the completeness or accuracy of the information we have about you or would like to amend your personal information held by us please contact Apex Fund Services (refer to contact details on the front page of this document).

Anti-Money Laundering & Counter Terrorism Financing Act 2006

We are required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) and relevant rules and regulations (**AML/CTF Law**). This means that we will require you to provide personal information and documentation in relation to your identity when you invest in the Fund. We may need to obtain additional information and documentation from you to process your application or subsequent transactions or at other times during your investment.

We may need to identify:

- an investor (including all investor types noted on the application form) prior to purchasing units in the Fund. We will not issue units until all relevant information has been received and your identity has been satisfactorily verified;
- your estate – if you die while you are the owner of units in the Fund, we may need to identify your legal personal representative prior to redeeming units or transferring ownership; and
- anyone acting on your behalf, including your power of attorney.

In some circumstances, we may need to re-verify this information and may be obliged under AML/CTF Law to disclose such information and documentation to Australian regulatory and/or law enforcement agencies.

By applying to invest in the Fund, you acknowledge that we may decide to delay or refuse any request or transaction, including by suspending the issue or withdrawal of units in the Fund, if we are concerned that the request or transaction may breach any obligation of, or cause us, the Responsible Entity, to commit or participate in an offence under, any AML/CTF Law, and we will incur no liability to you if we do so.

If you have any questions about our requirements, please contact Apex Fund Services (refer to contact details on the front page of this document).

Making a withdrawal

You may redeem some or all of your units by either mailing or emailing a completed and signed Withdrawal Form, which can be downloaded from our website, or by sending us your written instructions. The minimum withdrawal amount is $1,000 or your investment balance if it is less than $5,000.

Requests to withdraw must be signed by the appropriate authorised signatory(ies). If we cannot satisfactorily identify you as the redeeming investor, we may either reject and refuse to process, or delay your withdrawal until we can confirm that the withdrawal instruction we have received is valid. Your instruction will be treated as not being received until we have been able to confirm that it is valid.

Please ensure that withdrawal requests are sent to Apex Fund Services (refer to contact details on the front page of this document).

We accept no responsibility for withdrawal requests that have been sent to an incorrect address. You are responsible for ensuring that you use the correct contact details and accept that if you use incorrect address details your withdrawal request may be delayed or not processed.

The cut-off time each business day for receiving a withdrawal request is 2pm Sydney time. If we receive your withdrawal request by 2pm Sydney time we will process the transaction using that day's unit price. Requests received on or after the cut-off time or on a non-business day will generally be effective the next business day.

Instructions received via email

By instructing us by email you acknowledge that GRES and Apex Fund Services are entitled to rely on, and you will be liable for, any instruction received by email which appears to be duly authorised by you. It is expected that these services will allow you to manage your investment more efficiently, though by transacting in this way you acknowledge that there is an increased risk of fraud and you release us from, and agree to reimburse us for, any losses and liabilities arising from the payment or action taken by GRES or Apex Fund Services (acting reasonably) provided that we have acted without fraud or negligence.

Transferring units

You can transfer your units to a third party by completing a standard transfer form, which can be obtained from your financial adviser or by calling Apex Fund Services (refer to contact details on the front page of this document) and sending it to us together with an Application Form and AML/ CTF identification form and documents completed and signed by the party to whom you are transferring units. We require original copies of standard transfer forms to be mailed to us. We reserve the right to refuse a request to transfer units.

As a transfer of units involves a disposal of units it may have tax implications. There may also be stamp duty payable. You should obtain tax and stamp duty advice before requesting a transfer.

Restrictions on withdrawing your investment

There may be circumstances when your ability to withdraw from the Fund is restricted. Please read the following further information on restrictions on withdrawals in conjunction with reading the PDS.

No withdrawals shall be permitted where the redemption of units is suspended. Withdrawals and the issue of units may be suspended for up to 120 days including where:

- it is impracticable for us to calculate the NAV of the Fund for example, because of financial market disruptions or closures;
- it is impracticable for us to calculate the NAV of the Fund or value the assets of the Fund during a period in which we rebalance the assets of the Fund in accordance with the investment strategy of the Fund;
- the Fund's investments suspend, delay or restrict the redemption, issue or payment of withdrawal proceeds (as applicable) or we are unable to provide a withdrawal price;
- we reasonably estimate that we must sell 5% or more (by value) of all assets of the Fund to meet current unmet withdrawal requests;
- the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in our opinion, result in remaining unit holders bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or decrease in the value of the assets of the Fund;
- we reasonably consider it to be in the interests of unit holders;
- where the Fund is quoted, the quotation of any units is suspended or the trading of any units is otherwise restricted by the operator, or the trading of any units on the market is subject to a period of deferred settlement trading, or there is a period during which units are subject to a consolidation or division;
- where the Fund is quoted, units cease to be quoted or the Fund is removed from the official list of the market;
- a withdrawal request is received in a financial year and we determine that the date on which the completion of the redemption will occur will be in the next financial year;
- a withdrawal request is received during a period before or after a distribution which period we determine to be necessary or desirable to facilitate the calculation and distribution of the distributable income;

- we believe that the assets of the Fund cannot be realised at prices that would be obtained if the assets of the Fund were realised in an orderly fashion over a reasonable period in a stable market; or
- it is otherwise legally permitted.

If the Scheme becomes illiquid

If the Scheme becomes illiquid (as defined in the Corporations Act), units may only be withdrawn if we make a withdrawal offer to all unit holders in the Scheme in accordance with the Scheme's Constitution and the Corporations Act.

Under the Corporations Act, a scheme is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the scheme. Liquid assets typically include money in an account or on deposit with a bank, bank accepted bills, marketable securities and property of the kind prescribed under the Corporations Act.

At the date of this PDS, the Responsible Entity expects that the Scheme will be liquid under the Corporations Act.

Valuations

Units will typically be priced each business day by the Responsible Entity except where the calculation of the NAV of the Fund is suspended for reasons such as when withdrawal requests or other transactions are suspended. Please refer to **Restrictions on withdrawing your investment** in this section 2 for more information.

Unit prices will be available daily at gsfm.com.au or by telephoning Apex Fund Services. You can obtain a copy of our Unit Pricing Discretions Policy, free of charge, from Apex Fund Services (refer to contact details on the front page of this document)

Indirect investors

If you invest in the Fund through a master trust or wrap account (**Indirect Investor**) you do not become a unit holder in the Fund and do not have the rights of a unit holder or acquire any direct interest in the Fund. The operator or manager of the IDPS becomes a unit holder and acquires these rights and may exercise these rights as they see fit.

Application Form

If you are investing in the Fund through an IDPS do not complete the Application Form accompanying this PDS, please follow the instructions of the master trust or wrap account (**IDPS**) operator on how to make an application to the Fund.

Reporting

You will not receive statements, tax information or other information directly from us. You should receive equivalent information from the operator of the IDPS.

Withdrawals

If you are investing in the Fund through an IDPS, please follow the instructions of the IDPS operator on how to make a withdrawal from the Fund. Provisions which relate to withdrawals from the Fund will apply to the operator of the IDPS and not to you, the Indirect Investor.

Fees and costs

The fees and costs applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and costs stated in this PDS.

Tax

The description of the taxation consequences of investing in the Fund, in Section 7 **How managed investment schemes are taxed** of the PDS and this document, does not consider the treatment of Indirect Investors. You should consult your tax adviser in relation to investing through an IDPS.

Cooling off

Indirect Investors should consult their IDPS operator about what cooling off rights (if any) may apply.

Complaints handling

As an Indirect Investor, your first point of contact for any complaints in relation to an investment in the Fund will be your IDPS operator. You may also access the procedures we have in place to handle any enquiries or complaints. Please refer to **Complaints resolution** in Section 8 of the PDS.

3 BENEFITS OF INVESTING IN THE FUND

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

4 RISKS OF MANAGED INVESTMENT SCHEMES

There is no additional information in this section. Refer to Section 4 **Risks of managed investment schemes** of the PDS.

5 HOW WE INVEST YOUR MONEY

This should be read in conjunction with Section 5 **How we invest your money** of the PDS.

Permitted investments

The Fund will generally invest in listed global equities and cash and cash equivalents.

Munro has adopted the following guidelines in managing the Fund:

- Total number of securities in the portfolio to be between 15 and 25
- Position size: maximum 10% of NAV at cost
- Cash or cash equivalents: 0% to 10% of NAV
- Equity related securities: 90% to 100% of NAV
- Initial public offering securities: 0% to 10% of NAV
- Aggregate portfolio risk: Established, 'off the shelf' portfolio management software is used for real-time reporting and pre/ post trade compliance. The investment team actively measures portfolio correlations, sector risks, style exposure and aggregate valuation metrics which is formally reviewed weekly. In addition, the portfolio is managed within clear risk parameters and formal internal reviews of positions and exposures are undertaken at predetermined drawdowns.
- ESG exclusions: Consistent with Munro's corporate values, the Fund will not invest in individual companies that undertake certain activities as detailed in the **Labour standards and environmental, social and ethical considerations** section.

Borrowing

While the use of borrowing is allowed under the Constitution, borrowing is not used by the Fund.

Risk management and monitoring

Munro employs a stop loss process on all equity positions. The risk management processes enable the running of winners and cutting of losers quickly. Munro employs two key stop losses for reviews:

- A stock fall of more than 20% from peak; and
- A stock fall of more than 20% from cost.

In the event a stock triggers on the stop loss framework, it is reviewed on a weekly basis by the investment team and the position must be successfully defended or removed from the portfolio.

A portfolio management system is used to provide real time reporting and pre/post trade compliance while the investment team monitors portfolio correlations, sector risks, style exposure and aggregate valuation metrics.

Currency management

Currency is not actively managed, the Fund is unhedged.

The Fund is denominated in Australian dollars. The assets of the Fund will be denominated in a variety of foreign currencies, and the exchange rates of those currencies compared to each other and the Australian dollar may change over time. Any changes to exchange rates will therefore affect the Fund when its assets are valued in Australian dollars. For example, a change in the value of the Australian dollar relative to other currencies may negatively impact the value of an investment in the Fund.

Labour standards and environmental, social and ethical considerations

The Responsible Entity does not itself take into account labour standards and environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments.

The Responsible Entity has delegated investment decisions for the Fund to the Investment Manager pursuant to an investment management agreement.

Munro is a signatory to the United Nations supported Principles for Responsible Investment (**PRI**), the world's leading proponent of responsible investment. Munro recognises and is committed to considering ESG factors, along with other key financial criteria and economic factors in the course of their investment process and in the monitoring of portfolio investments when in their view these factors have a material impact on either investment risk or return. Munro therefore takes environmental, social and governance considerations into account when selecting, retaining or realising investments of the Fund.

Every portfolio holding undergoes a proprietary ESG analysis which results in an ESG score. The ESG score is one of six qualitative factors that determine what Munro considers the appropriate earnings multiple and therefore valuation for the company. Subject to other qualitative and quantitative factors, Munro is generally willing to pay more for companies that perform better on ESG matters.

The ESG score is determined on a 1 to 5 scale as follows:

Environmental and Social (E&S) score (two-thirds weight):

- Identification and weighting of material E&S issues (five at most) based on the Sustainability Accounting Standards Board (SASB) framework, supplemented by external research and company disclosures; and
- A case by case analysis of the disclosures, strategy, performance and targets the company makes in respect of each material E&S issue, as relevant[1].

Governance score (one-third weight):

Analysis of three issues:

- Board – including gender diversity, independence, workload, and performance;
- Remuneration – including equity alignment, challenging performance hurdles, ESG hurdles, dilution and pay quantum; and
- Entrenchment – including the use of anti-takeover mechanisms and multiple share classes.

Due to expediency requirements for new holdings, Munro may temporarily use a third-party research provider's ESG score as a substitute for the framework above. Munro aim to have no more than 10% of portfolio holdings with third-party ESG scores at any time. Munro will exclude or sell companies where, once completed, their proprietary ESG score is 1.5 or less.

The Scheme aims to maximise long term capital appreciation, by investing primarily in a concentrated long-only portfolio of companies enabling or benefiting from the transition to the decarbonisation of the planet located anywhere in the world. The Scheme is focused on those entities that help enable or benefit from decarbonisation via the following sub-themes:

- **Clean Energy** – Companies benefitting from the demand for carbon-free and renewable energy including energy generation covering wind, solar and renewable fuels.
- **Clean Transport** – Companies benefitting from the growth of electric vehicles, battery technology and other low carbon transportation.
- **Energy Efficiency** – Companies offering insulation products, electrical switches, lighting, metering and other energy efficient technologies.
- **Circular Economy** – Companies most likely to benefit from efforts to improve recycling, alternative packaging materials and management of waste, wastewater, agriculture technologies and other services aimed at reducing reliance on raw materials.

The Fund is not designed for investors who wish to screen out particular types of companies or investments or are looking for funds that meet specific ESG goals. Consideration of ESG integration does not imply that the Fund is marketed as an ESG product in Australia.

Munro will not knowingly invest in individual companies that undertake the following activities:

- Tobacco manufacturing, including only companies involved directly in the production of tobacco products, including alternative smoking products;
- Directly involved in the manufacturing of landmines and cluster munitions;
- Companies where Munro's proprietary ESG score (one of the six qualitative tests in the investment process) is 1.5 or less, based on a scale of 1 – 5;
- Companies involved in the extraction of oil sands, where the activity contributes greater than 0% revenue (as defined by Munro's third party data provider); and
- Companies involved in the extraction of thermal coal, where these activities contribute to greater than 10% of revenue (as defined by Munro's third party data provider).

The exclusions apply only to positions in individual companies. Exposure to screened out investment may however be obtained indirectly through exposure to ETFs where the underlying exposure is not actively monitored. However Munro does not expect that this exposure would exceed 5% of the portfolio.

Munro is reliant on third parties to provide the data to Munro to build a list of companies that form Munro's exclusions. Current data providers are listed in Munro's ESG Policy available on munropartners.com.au. While Munro will actively oversee the implementation, issues like data accessibility, errors from third parties and changes to company activities may result in inadvertent exposure. If they become aware of such a case, they will sell their holding within a reasonable timeframe.

Munro has public ESG and Climate Policies in place and report on these annually through the Responsible Investment Report, all available at munropartners.com.au.

Other than described above, Munro has no other predetermined view on specific labour standards, environmental, social and ethical considerations which it will apply or a fixed methodology or weightings for taking these standards and considerations into account when selecting, retaining and realising investments of the Fund.

6 FEES AND COSTS

The following additional information should be read in conjunction with Section 6 **Fees and costs** of the PDS.

Additional explanation of fees and costs

Management fees and costs

The management fees and costs for the Fund comprise of the management fee, indirect costs, and abnormal costs (if payable) as set out in the fees and costs summary table in section 6 Fees and costs of the PDS. The management fees and costs do not include transaction costs. Management fees and costs are payable from the Fund's assets and are not paid directly from your account.

Management fee

The management fee for the Fund is **0.90%** p.a. of the NAV of Class A units. The management fee is calculated and accrued daily in the unit price of Class A units and is paid monthly in arrears on the last business day of each calendar month.

From the management fee we pay all investment management fees (including the fees of the Investment Manager), all normal operating expenses of the Fund including custody fees, audit fees, accounting fees, legal and regulatory fees and all other normal costs except abnormal costs (as described later in this section) and transaction costs. We will provide prior notice to investors if we seek to recover normal operating expenses from the Fund in the future. The management fee includes Goods and Services Tax (**GST**) after taking into account any expected input tax credits and reduced input tax credits. The amount of this fee can be negotiated.

All estimates of fees and costs in the following section are based on information available as at the date of the PDS. As this is a newly established Fund, with no historical data available, the fees and costs indicated reflect the Responsible Entity's reasonable estimate at the date of the PDS of those fees and costs that will apply for the current financial year (adjusted to reflect a 12 month period). Consequently, the amounts shown may not be a good indicator of typical ongoing fees and costs, which may differ in future years. Any updated cost information that is not materially adverse to investors will be posted on our website gsfm.com.au.

Indirect costs

Indirect costs are any amounts that we know or reasonably ought to know, or where this is not the case, reasonably estimate has or will reduce, whether directly or indirectly, the return of the Fund or the amount or value of the income of, or assets attributable to the Fund other than the management fee and abnormal costs. The actual indirect costs may differ from year to year.

The indirect costs include (a) the indirect costs that we know or ought to know for the previous financial year and (b) where we do not know or ought to know the indirect costs, a reasonable estimate of those indirect costs based on the information available to us as at the date of this PDS.

As at the date of this PDS, the indirect costs component set out in the fees and costs summary above is 0.00% p.a. of the NAV of the Fund which is an amount the Responsible Entity's reasonably estimates will apply for the current financial year (adjusted to reflect a 12 month period).

It is important to note that indirect costs are reflected in the unit price of the Fund as and when incurred and are not charged separately to investors. Indirect costs are not an additional fee paid to the Responsible Entity.

Indirect costs may vary from year to year, including to the extent that they rely on estimates. These amounts are not an indication or guarantee of the amount that may be charged in the future.

Abnormal costs

We may recover other costs or expenses incurred (or that will be incurred) by us in connection with the management of the Fund including, but not limited to, those resulting from abnormal circumstances (such as a change of the responsible entity or investment manager, termination of the Fund or unit holder meetings) out of the assets of the relevant class of units in the Scheme for which such cost or expense is incurred. We do not believe we can reliably estimate abnormal costs or expenses but expect that the circumstances which cause such costs to be incurred will not occur regularly.

1. *Materiality of E&S issues is assessed by Munro on a case by case basis, with reference to the nature of the companies and the E&S issues relevant to the business. For example, for electric utilities, 'greenhouse gas emissions' is a material E&S issue. Munro's analysis may include whether the company reports against the Task Force on Climate-related Financial Disclosures (TCFD), the current emissions per unit of electricity generated and how this is changing, the generation mix (between renewables, nuclear and fossil fuel-based electricity), whether there are any targets to reduce emissions and whether these have been verified by the Science-Based Targets Initiative (SBTi). Munro provides specific company examples in their annual Responsible Investment Report.*

As at the date of this PDS, the abnormal costs component set out in the fees and costs summary in the PDS is 0.00% p.a. of the NAV of the Fund, which reflects the Responsible Entity's reasonable estimate of those abnormal costs for the current financial year (adjusted to reflect a 12 month period). However, if any abnormal costs or expenses are to be deducted, we will give you 30 days written notice. Abnormal costs may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

Performance fee

The Responsible Entity does not currently charge a performance fee for the Fund and has no ability to charge a performance fee for the Fund.

Transaction costs

Transaction costs are costs associated with the buying and selling of the Fund's assets and are charged directly to the Fund. These costs include brokerage, settlement costs, clearing costs, stamp duty, GST and other taxes.

Transaction costs are an additional cost to investors, where it has not already been recovered by the buy/sell spread and are not included in the 'management fees and costs'. Instead, they are recovered as incurred and reflected in the unit price of the Fund and are borne indirectly by investors as they reduce the returns generated by the Fund, and consequently, your investment.

The estimated transaction costs disclosed in the fees and costs summary in this PDS are shown net of any amount recovered by the buy/sell spread charged by the Responsible Entity.

The net transaction costs (representing the total gross transaction costs minus the total amount recovered through the buy/sell spread of +0.15%/-0.15%), set out in the fees and cost summary in the PDS is 0.10% of the NAV of the Class A units which reflects the Responsible Entity's reasonable estimate at the date of the PDS and this document of those transaction costs that will apply for the current financial year (adjusted to reflect a 12 month period).

At the date of the PDS and this document, the Responsible Entity's reasonable estimate of the total gross estimated transaction costs that will apply for the current financial year (adjusted to reflect a 12 month period) will be 0.14% p.a. of the NAV of the Class A units. The transaction costs will be borne by the Fund as and when incurred.

All estimates of fees and costs in this section are based on information available as at the date of this PDS. These figures reflect the Responsible Entity's reasonable estimate at the date of this PDS of those fees and costs that will apply for the current financial year (adjusted to reflect a 12 month period) and will vary from year to year to reflect the actual expenses incurred by the Fund. This means that estimated and/or historical costs may not be an accurate indicator of the fees and costs an investor may pay in the future.

This is because the turnover in the underlying assets may change substantially as investment and markets conditions change, which may affect the level of transaction costs incurred.

Around the end of each financial year, where new transaction costs information is not materially adverse, the updated information will be posted on our website at gsfm.com.au and we will advise you in the next regular communication after the change. If there is a material change to these costs we will issue a supplementary PDS or a new PDS.

Buy/ sell spread

The buy/sell spread is an additional cost incurred by you when you invest in or withdraw from the Fund. The buy/sell spread is an adjustment to the unit price to cover those transaction costs associated with buying and selling the Fund's assets. The buy/sell spread is not a fee paid to us but is paid to the Fund to offset the transaction costs incurred.

The buy/sell spread may vary from time to time to reflect changes in the transaction costs incurred, or likely to be incurred. The buy/sell spread for the Fund is currently 0.15% of the NAV per Class A unit when you make an application for, or a withdrawal of Class A units. If we do vary the buy/sell spread, we will not provide prior notice unless the change is material.

The updated information will be posted on our website at gsfm.com.au and we will advise you in the next regular communication after the change.

The buy/sell spread will not apply to units you receive from distributions that are reinvested or to certain other transactions (including transfers).

Worked dollar example

The current buy spread on an investment in the Fund is 0.15%. Therefore, the cost of an investment of $50,000 into the Fund would be $75.

The current sell spread on a withdrawal from the Fund is 0.15%. Therefore, the cost of a withdrawal of $50,000 from the Fund would be $75.

Please note that this is just an example. In practice, actual transaction costs will depend on the amount you invest or withdraw.

Fee maximum and changes to fees

We are entitled under the Constitution of the Fund to charge:

- a contribution fee and withdrawal fee each of 5% (inclusive of GST, less any input tax credits and reduced input tax credits);
- a management fee of up to 3% p.a. (inclusive of GST, less any input tax credits and reduced input tax credits) of the assets of the Class A units of the Fund (determined on the basis of the 'last sale' price, net of estimated disposal costs); and
- where the Fund is quoted, an ETF application and redemption fee in relation to the processing of applications or redemptions in the Fund of a maximum amount of $10,000 (inclusive of GST if any, less any input tax credits and reduced input tax credits).

We have elected to limit our management fee to the level shown in the PDS and in the case of the contribution fee and withdrawal fee, waive these fees altogether. As the Fund is not quoted, the ETF application and redemption fee are not applicable.

We may elect to change the fees and costs outlined in this section (e.g. due to changes in economic conditions and size of the Fund) without investor consent except if required by the Corporations Act. We will provide you at least 30 days written notice of any increase in the fees when legally required. All estimates of fees and costs in this section are based on information available as at the date of this PDS. You should refer to the Fund's website gsfm.com.au from time to time for any updates which are not materially adverse to investors.

Indirect investors

If you invest in the Fund through an IDPS, the fees and costs applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and costs stated in the PDS.

Platform access payments

There are circumstances when we may, subject to the law, pay a platform to make the Fund available on their investment menu.

We may make product access payments where a flat dollar amount per annum is paid to the platform provider for administrative and investment related services.

If you invest in the Fund via a platform these payments may be rebated to you or may be retained (in full or in part) by the platform operator.

If we do make payments, we will pay them from our own resources so that they are not an additional cost to the Fund or to you.

Adviser fees and remuneration

If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice between you and the financial adviser.

We may, subject to the law, pay indirect remuneration to licensed financial advisers and other financial service providers. These amounts are paid from our own resources so that they are not an additional cost to the Fund or to you. We will only make these payments to the extent they are permitted by law.

We keep a register of indirect remuneration (e.g. non-monetary benefits valued between $100 and $300) paid to other financial services licensees. The register is publicly available and you may inspect this register by calling 1300 133 451, free of charge.

Differential fees

We may charge fees on a different basis to a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client.

We may, in certain circumstances determined by us, subject to the Corporations Act and any relevant ASIC policies, negotiate special arrangements concerning fees (including fee reductions and rebates) with other investors.

We may, where permitted under the law, charge fees on a different basis to certain employees of GRES and employees of its associated entities.

Through the operation of rebates which are paid from the fees that we receive, we may effectively charge net fees on a different basis to:

- a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client; and/or
- certain employees of GRES and employees of its associated entities. These employees may be entitled to a rebate of up to 0.25% to be reinvested in the Fund; and/or
- other investors. These investors may be entitled to a rebate of up to 0.25% to be reinvested in the Fund.

All of the above arrangements will involve a rebate of the fees that we earn and hence:

- the fees that are charged to all Class A investors are identical; and
- any rebates that we pay to wholesale investors, other investors or to staff are not an additional cost to the Fund or to you.

Relevant investors should contact the Responsible Entity in relation to negotiating fees. See the cover of the PDS for our contact details.

Tax

Information about tax is set out in Section 7 **How managed investment schemes are taxed** of this document.

The benefits of any tax deductions are passed on to investors in the form of a reduced fee or cost.

Related party payments

GSFM Pty Limited (**GSFM**) is a related party of GRES. GSFM provides distribution, administrative and support services to GRES. GRES pays reasonable remuneration to GSFM in this regard on arm's length commercial terms.

The Investment Manager of the Fund, Munro, is a related party of GRES. GRES pays reasonable remuneration to Munro on arm's length commercial terms.

7 HOW MANAGED INVESTMENT SCHEMES ARE TAXED

This should be read in conjunction with Section 7 of the PDS **How managed investment schemes are taxed**.

The information contained in the following summary is intended to be of a general nature only and should serve only as a guide to the tax considerations that may arise. The summary applies only to Australian resident investors. Different tax considerations arise for non-resident investors.

You should seek independent professional tax advice that takes account of your particular circumstances before investing in the Fund. New Zealand investors should seek their own advice on the New Zealand taxation law implications of their investment.

Attribution Managed Investment Trust (AMIT) Regime

The Responsible Entity made an election for the Fund to opt into the AMIT regime commencing from the inception of the Fund.

Some of the key features of the AMIT regime include:

- allocation of taxable income to unit holders based on 'attribution' rather than present entitlement to the 'income' of the trust;
- clarification of the treatment of under and over distributions; and
- CGT cost base reductions and uplifts in unit holdings where taxable income attributed is either less than or greater than the cash distribution for an income year (respectively).

The Fund has also made the MIT capital account election and therefore, all gains and losses of the Fund from 'eligible assets' (primarily shares, units and options over those assets) are assessed under the CGT provisions.

Taxation of the Fund

The Fund should not be subject to Australian income tax, with tax instead being borne by the investors. That is, from a tax perspective, the Fund should be treated as a 'flow-through' entity.

However, where the Fund is in a tax loss position in a particular year, the loss is retained in the Fund and is not distributable to the unit holders. The loss can be carried forward by the Fund and used to offset taxable income in a future year (subject to satisfaction of certain loss integrity tests).

Distributions

Australian resident investors are generally subject to tax on the taxable income from the Fund that is attributed to them by the Responsible Entity. Such attribution must be worked out by the Responsible Entity on a fair and reasonable basis in accordance with the Constitution of the Fund. Taxable income of the Fund may include franked dividends, franking credits, foreign income and foreign income tax offsets in respect of foreign taxes paid (**FITOs**) and capital gains. Generally a tax offset should be available to investors for the associated franking credits and FITOs.

The taxable income attributed to an investor will also include amounts of trust income that are reinvested in the Fund through the Distribution Reinvestment Policy (**DRP**). The distributions received (or reinvested) may be more or less than the amount of income that is subject to tax. Any reinvested distributions will be received as further units in the Fund.

The way in which investors are taxed will depend on the components of income attributed*. The amounts attributed to an investor could include non-cash items such as tax credits.

Under the AMIT regime, distributions can result in either a reduction or increase in the CGT cost base of an investor's units.

Broadly, where the taxable income attributed to an investor is less than the cash distribution (plus any tax offsets), this should result in a reduction to the cost base of the investor's units. Conversely, where the taxable income attributed to an investor is greater than the cash distribution (plus any tax offsets), this should result in an increase to the cost base of the investor's units.

** We will send you an AMMA Statement indicating the components of your distribution (and the amounts which have been attributed to you for tax purposes) after the end of each Financial Year which may assist you in completing your tax return and/or updating the cost base of your investment for capital gains tax purpose.*

Foreign income

Distributions may include foreign income. If foreign tax is paid on the foreign income derived by the Fund, then you will need to include in your assessable income your share of any foreign income and any related foreign taxes withheld from such income. You may be entitled to claim an offset (**FITO**) against your Australian income tax liability in respect of foreign tax paid (up to the amount of Australian tax otherwise payable by you on the net foreign source income included in your taxable income).

There have been updates to the law and ATO guidance in relation to investor entitlements to claim foreign income tax offsets. Accordingly, we recommend that you consult with your tax adviser to consider your specific personal circumstances with respect to the eligibility to claim FITOs.

Gains on transfer and redemption of units

It should be noted that, when you calculate the net taxable capital gains in any income year, you must take into account the capital gains and losses from all sources, including those arising on transfer or redemption of units. Individuals and complying superannuation funds may be entitled to the CGT discount concession (50% and 33.33% respectively) where the investment in units is held on capital account and for more than 12 months. You should discuss this calculation with your taxation adviser.

Tax File Number (TFN)

We recommend you provide your TFN/ABN on the Application Form. It is not compulsory for an Australian unit holder to quote their TFN or ABN. However, if a TFN/ABN is not quoted, or an appropriate exemption is not claimed, the Responsible Entity will be required to deduct tax at the highest marginal tax rate (currently 45%) plus the Medicare Levy (currently 2%) totalling 47% from distributions.

By quoting your TFN or ABN you authorise us to apply it to your investment and disclose it to the Australian Tax Office. Collection of TFN or ABN information is authorised, and its use and disclosure is strictly regulated, by the tax laws and under privacy legislation.

Goods and Services Tax (GST)

The issue and redemption of units in the Fund is not subject to GST, however, the Fund may pay GST on the services it acquires. In most circumstances our fees and other services, together with the reimbursement of expenses are subject to GST. Generally, the Fund cannot claim full input tax credits for GST incurred on these services to the extent that the services relate to input taxed supplies but, in certain circumstances the Fund may be entitled to a reduced input tax credit (**RITC**) of the GST payable on these services. If the GST rate increases, the RITC rate decreases, or RITCs are not available, the Constitution for the Fund allows us to amend the amount recouped out of the Fund accordingly.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA was enacted in 2010 by the United States Congress to target non-compliance by US taxpayers using foreign accounts. CRS is a broader OECD led framework for the collection, reporting and exchange of financial account information between revenue authorities across jurisdictions. FATCA and CRS have important implications for financial institutions globally, including an obligation to identify foreign accounts and report information relating to foreign accounts to the foreign tax authorities or, under FATCA, to withhold 30% tax on US connected payments to non-participating foreign financial institutions.

To comply with the FATCA and CRS requirements, the Fund will collect additional information from you and will disclose such information to the Australian Taxation Office. This information may ultimately be shared with revenue authorities in other jurisdictions under the various exchange of information agreements that Australia has entered into with other jurisdictions.

Provided all necessary registrations and information to comply with FATCA is obtained, US withholding tax on US connected payments should not apply to the Fund.

Tax Reform

The comments above are based on the Australian taxation law as at the issue date of the PDS.

It is recommended that unit holders seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

8 HOW TO APPLY

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

9 OTHER INFORMATION

Constitution

The operation of the Fund is governed under the Corporations Act and its Constitution which addresses matters such as: unit pricing and withdrawals and applications; the issue and transfer of units or classes of units; unit holder meetings; unit holders' rights including unit holders' rights to income of the Fund; the Responsible Entity's powers to invest, borrow and generally manage the Fund and fee entitlement and right to be indemnified from the Fund's assets. The Constitution states that your liability is limited to the amount you paid for your units, but the courts are yet to determine the effectiveness of provisions of this kind.

We may alter the Constitution if we reasonably consider the amendments will not adversely affect investors' rights. Otherwise we must obtain investors' approval at a meeting of investors. We may retire or (if investors vote for our removal) be required to retire as Responsible Entity. No units may be issued after the 80th anniversary of the date of the Constitution. We may exercise our right to terminate the Fund earlier by written notice to unit holders. Your rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

The Constitution provides us with the power to determine that the Fund, the Scheme or a class of units in the Scheme may be quoted for trading on an exchange or listed on an exchange. The Constitution also contemplates the implementation of a multi-access structure in relation to units that are quoted on an exchange, whereby investors can apply for such units either by applying to the Responsible Entity directly or buying them on market and can redeem such units in the Scheme by redeeming them from the Responsible Entity directly or selling them on market.

As at the date of this PDS, the Scheme does offer a class of units, being the Munro Climate Change Leaders Fund Active ETF, which is quoted on the AQUA market of the ASX.

The Constitution gives us a number of rights, including a number of discretions relating to unit pricing. The Constitution may be viewed between 9am and 5pm, Sydney time, on business days by calling Apex Fund Services. You can obtain a copy of our Constitution and Unit Pricing Discretions Policy, free of charge, by calling Apex Fund Services (refer to contact details on the front page of this document).

Compliance Plan

In accordance with the requirements of the Corporations Act and Australian Securities and Investments Commission (**ASIC**) policy the Scheme has a compliance plan which sets out the measures we will take to ensure we comply with the Corporations Act and the Constitution of the Scheme (**Compliance Plan**). To oversee compliance with the Compliance Plan we have appointed a compliance committee with a majority being external members.

A copy of the Compliance Plan is available free of charge by contacting Apex Fund Services.

Investment management agreement

GRES has entered into an investment management agreement (**IMA**) with Munro. Under the IMA, Munro agrees to provide investment management services with respect to the Fund.

The IMA may be terminated by either party in certain circumstances such as if the other party is insolvent, materially breaches the agreement, ceases to hold or be exempt from holding an Australian financial services licence, ceases to hold all other licences necessary to conduct its business, ceases to carry on its business or engages in fraudulent, dishonest, misleading or deceptive conduct in connection with the services provided pursuant to the agreement.

Each party agrees to indemnify the other party from any losses and expenses arising from the first party's fraud, negligence or wilful default.

Custodian, administrator and registrar

We have appointed JP Morgan Chase Bank, N.A (Sydney Branch) (ABN 43 074 112 011) (**JPMorgan**) to provide custody and fund administration services. JPMorgan has provided its consent to be named and has not withdrawn its consent before the issue date of the PDS.

JPMorgan has not been involved in the preparation of this PDS or caused or otherwise authorised the issue of the PDS. JPMorgan has not independently verified the information contained in this PDS and accordingly accepts no liability for the accuracy or completeness of the information. JPMorgan does not guarantee the success or the performance of the Fund nor the repayment of capital or any particular rate of capital or income return.

Apex Fund Services Pty Ltd (**Apex Fund Services**) provides unit registry services for the Fund.

There are service level agreements (**SLA**) in place with JPMorgan and Apex Fund Services which clearly delineate the responsibilities of all parties.

GRES can terminate JPMorgan's appointment as custodian and/or administrator in the circumstances specified under the respective agreements governing these relationships.

GRES can terminate Apex Fund Services' appointment as unit registry in the circumstances specified under the agreement governing this relationship.

GRES remains liable to unit holders for acts and omissions of the custodian, administrator and unit registry. In addition, neither the custodian and administrator nor the unit registry have any supervisory obligation to ensure that GRES complies with its obligations as responsible entity of the Fund and are not responsible for protecting the rights of unit holders.

Consents

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

- Munro Partners as investment manager of the Fund;
- JPMorgan Chase Bank NA as custodian and administrator to the Fund;
- Apex Fund Services Pty Ltd as unit registry for the Fund;

Each of these persons named above:

- has not authorised or caused the issue of this PDS; and
- does not make or purport to make any statement in this PDS (or any statement on which a statement in this PDS is based) other than as specified; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this PDS other than the reference to their name in a statement or report included in this PDS with their consent as specified.

Warning Statement for New Zealand Investors

The following disclosure is made to enable us to offer the Fund's units in New Zealand under the mutual recognition scheme between Australia and New Zealand.

Warning statement

1. This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

Direct Debit Request Service Agreement

This information applies if you intend that your initial or additional investments into the Fund are to be paid by direct debit. Please make sure that you provide your bank account details and complete the direct debit request in the relevant sections of the Application Form.

The following is your Direct Debit Service Agreement with **Apex Fund Services Pty Ltd ABN 81 118 902 891**. The agreement is designed to explain what your obligations are when undertaking a Direct Debit arrangement with Apex Fund Services. It also details what Apex Fund Services' obligations are to you as your Direct Debit Provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your Direct Debit Request (**DDR**) and should be read in conjunction with your DDR form.

Definitions for this section

Definitions

account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between you and us.

banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

debit day means the day that payment by you to us is due.

DDR/direct debit request means the Direct Debit Request between us and you.

debit payment means a particular transaction where a debit is made.

us or **we** means Apex Fund Services, (the Debit User) you have authorised by signing a Direct Debit Request.

you means the customer who has signed or authorised by other means the Direct Debit Request.

your financial institution means the financial institution nominated by you on the DDR at which the account is maintained.

1. Debiting your account

1.1 By signing a *Direct Debit Request* or by providing us with a valid instruction, *you* have authorised *us* to arrange for funds to be debited from your account. You should refer to the Direct Debit Request and this agreement for the terms of the arrangement between *us* and *you*.

1.2 *We* will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

or

We will only arrange for funds to be debited from *your account* if we have sent to the address nominated by *you* in the *Direct Debit Request*, a billing advice which specifies the amount payable by *you* to *us* and when it is due.

1.3 If the *debit day* falls on a day that is not a *banking day*, *we* may direct *your financial institution* to debit *your account* on the following *banking day*. If *you* are unsure about which day *your account* has or will be debited *you* should ask *your financial institution*.

1.4 The Direct Debit will be made on receipt of your application. It takes three days for the request to be cleared. Upon confirmation that the funds are cleared we will apply for units in the relevant Fund on your behalf.

We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

2. Amendments by us

2.1 We may vary any details of this agreement or a Direct Debit Request at any time by giving you at least fourteen (14) days written notice.

3. Amendments by you

3.1 *You* may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen **(14) days** notification by writing to:

Unit Registry
Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

or

by telephoning us on 1300 133 451 during business hours;

or

arranging it through your own financial institution.

4. Your obligations

4.1 It is *your* responsibility to ensure that there are sufficient clear funds available in *your account* to allow a *debit payment* to be made in accordance with the *Direct Debit Request*.

4.2 If there are insufficient clear funds in *your account* to meet a *debit payment*:

a. you may be charged a fee and/or interest by your financial institution;
b. you may also incur fees or charges imposed or incurred by us; and
c. you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.

4.3 *You* should check *your account* statement to verify that the amounts debited from *your account* are correct.

4.4 If ***Apex Fund Services Pty Ltd*** is liable to pay goods and services tax (**GST**) on a supply made in connection with this *agreement*, then you agree to pay ***Apex Fund Services Pty Ltd*** on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

5. Dispute

5.1 If you believe that there has been an error in debiting your account, you should notify us directly on **1300 133 451** and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively, you can take it up with your financial institution directly.

5.2 If *we* conclude as a result of our investigations that *your account* has been incorrectly debited *we* will respond to *your* query by arranging for *your financial institution* to adjust *your account* (including interest and charges) accordingly. *We* will also notify you in writing of the amount by which *your account* has been adjusted.

5.3 If *we* conclude as a result of our investigations that *your account* has not been incorrectly debited *we* will respond to *your* query by providing *you* with reasons and any evidence for this finding in writing.

6. Accounts

You should check:

a. with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions.
b. your account details which you have provided to us are correct by checking them against a recent account statement; and
c. with your financial institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request.

7. Confidentiality

7.1 *We* will keep any information (including *your account* details) in *your Direct Debit Request* confidential. *We* will make reasonable efforts to keep any such information that *we* have about *you* secure and to ensure that any of *our* employees or agents who have access to information about *you* do not make any unauthorised use, modification, reproduction or disclosure of that information.

7.2 *We* will only disclose information that *we* have about *you*:

a. to the extent specifically required by law; or
b. for the purposes of this agreement (including disclosing information in connection with any query or claim).

8. Notice

8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:

Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001

8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the Direct Debit Request.

8.3 Any notice will be deemed to have been received on the third banking day after posting.