Strategic Funds

Responsible Entity and Issuer: IOOF Investment Services Ltd | ABN 80 007 350 405 | AFSL 230703
Issued: **3 October 2023**

Strategic Funds
Additional Information Booklet

Strategic Global Property Fund ARSN 133 312 571 | APIR code DFA0006AU
Strategic Australian Equity Fund ARSN 133 312 820 | APIR code DFA0008AU
Strategic International Equity Fund ARSN 133 308 219 | APIR code DFA0007AU
Strategic Fixed Interest Fund ARSN 151 280 723 | APIR code DFA0015AU
Strategic Cash Plus Fund ARSN 158 867 308 | APIR code WPC0028AU
Strategic Sustainable Global Bond Fund ARSN 649 740 876 | APIR code NAB3990AU
Strategic Infrastructure Fund ARSN 664 896 468 | APIR code NAB3124AU
(Collectively, the Funds)

This Strategic Funds Additional Information Booklet (AIB) provides additional information on topics outlined under the prescribed sections of the relevant Product Disclosure Statement (PDS) for each of the Strategic Funds. The information in this AIB forms part of those PDSs.

The information in this AIB and the PDSs is general information only and does not take account of your personal financial situation or needs. You should consult a licensed financial adviser to obtain financial advice tailored to suit your personal circumstances.

Contact Details

If you have any questions or would like more information about a Fund, including hard copies of a PDS and any incorporated materials, please contact Investor Services on:

Phone: 1800 002 217
Address: GPO Box 264, Melbourne VIC 3001
Website: www.ioof.com.au

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Please note:

Definitions of certain capitalised terms used in this AIB are set out in the Glossary on page 18.

IOOF Investment Services Ltd (IISL) is the Responsible Entity (RE) and investment manager of the Funds.

IISL is referred to as 'RE', ‘we’, ‘us’ and ‘our’ throughout this document.

1. Additional information about the acquisition and disposal of interests

Investing through an Investor Service

Investors accessing a Fund through an Investor Directed Portfolio Service (IDPS) or master trust (referred to as an Investor Service, as defined in the Glossary) may use the PDS and this AIB to assist them in investing in the Fund.

By giving a direction to your Investor Service to arrange for your money to be invested in a Fund on your behalf, you do not acquire the rights of a unitholder in the Fund. Your Investor Service acquires these rights and can exercise, or decline to exercise them, on your behalf according to the arrangements governing the Investor Service.

Persons who invest in a Fund through an Investor Service will not receive confirmation of transactions, distribution statements, annual reports or Attribution Managed Investment Trust Member Annual (AMMA) statements directly from us. These will be provided to your Investor Service, which will report to you on your investments in accordance with the arrangements governing the Investor Service. You will not receive any distributions directly from the Funds, and you should refer to the disclosure document of your Investor Service for distribution payment and reinvestment options. You also forgo direct voting rights and generally will not receive notice of, or be able to attend, meetings of unitholders.

To invest in a Fund through an Investor Service, you will need to complete the documents that your Investor Service requires rather than the application form accompanying the PDS. Your Investor Service will then provide an application request to us, which will be processed in the manner described in the PDS and this AIB.

Cooling-off rights with us do not apply to clients investing through an Investor Service. You should contact the operator of the Investor Service to determine what cooling-off rights (if any) you may have with the Investor Service.

If you wish to make additional investments, withdraw your investment or transfer your investment to another person, you will have to direct your Investor Service to do so on your behalf. Withdrawal notices received from the Investor Service will be processed in the manner described in the PDS and this AIB.

The time taken to process applications and withdrawals through your Investor Service may vary due to the processing requirements of the Investor Service. Please refer to the disclosure document of the Investor Service for further details.

How to make an initial investment

The minimum initial investment for each of the Funds is set out in the relevant PDS. An initial investment for a lesser amount may be accepted at our discretion. To invest, complete the application form accompanying the PDS, and send it by post or deliver it to the address shown in the application form with any supporting documentation required. You must also pay the investment amount at the time of your application unless we determine otherwise at our discretion. Fax or electronic instructions will not be accepted for new applications.

There are laws relating to the detection and deterrence of money laundering and terrorism financing (AML/CTF). As part of the AML/ CTF Act and Rules, we are required to obtain certain information from investors which relate to their identification and verification of their identity (Identification Information). The Identification Information collected is determined by what type of entity the investor is. For further information, please refer to the Anti-money laundering section on page 7

We are also required to obtain certain identification and financial information from investors under Australia's participation in Automatic Exchange of Information (AEOI) regimes concerning the automatic exchange of financial account information with foreign jurisdictions. These regimes are known as the Foreign Account Tax Compliance Act (FATCA), in the case of exchange by Australia with the United States of America (US) and the Common Reporting Standard (CRS), in the case of exchange by Australia with other countries that have implemented the Standard.

Please refer to the application form for assistance regarding what Identification Information to provide to us.

If you are investing through an Investor Service you do not need to complete the application form accompanying the PDS or provide Identification Information to us. Please refer to the information on this page about investing through an Investor Service.

How to make an additional investment

If you are an existing Direct Investor in the Funds, you may make an additional investment by either:

- completing an application form accompanying the current PDS; or
- for investments to a Fund in which you have already invested, sending us a request in writing in a format approved by us (by letter, fax or other electronic means), signed by the registered unitholder in accordance with the most recent signing instructions provided by you, specifying your account number and the Fund name and amount for the additional investment.

Please refer to the fax or electronic instruction conditions on page 9.

An application for an additional investment will be dealt with in accordance with the PDS current at the time of the application. You must also pay the additional investment amount at the time of your application. If you wish to invest in any additional Fund, your application must be for no less than the minimum initial investment amount for that Fund set out in the relevant Fund PDS. If you wish to add to your existing investment in a Fund, your application must be for no less than the minimum additional investment amount for that Fund set out in the relevant Fund PDS.

In either case, investments for a lesser amount may be accepted at our discretion. We will send you a transaction confirmation showing details of the additional investment as soon as is reasonably practicable after the additional investment.

It is important when making any investment decision that you have complete and up-to-date information. You should therefore retain the PDS and this AIB and any information we send you. This includes any future or replacement PDS and investor statements.

You are entitled to request copies of the current PDS free of charge at any time. The current PDS may also be downloaded from www.ioof.com.au or obtained from your Investor Service.

Processing of applications

Cut-off times apply when processing applications to the Funds and determining application prices. Currently, the cut-off time is set at 2.00pm Melbourne time on a Business Day (Valuation Date). The methodology for calculating application prices is described on page 4 of this AIB.

Applications received before the cut-off time, if accepted, will be processed at the next determined application price. This is provided application monies are received as cleared funds on or before the day of application, unless we determine otherwise at our discretion. The next determined application price generally will reflect the prices as at the close of trading on the Valuation Date.

Applications received after the cut-off time, if accepted, will be processed at the application price applicable to the following Valuation Date.

Once your application has been received, we have the discretion to enter into transactions on behalf of the Fund in anticipation of receiving the cleared funds. If the cleared funds are not received by us, the applicant will be liable for losses, costs and expenses (including any tax payable) reasonably incurred by us or the relevant Fund, including losses as a direct result of adverse market movements.

Acceptance of an application is conditional on the supply of relevant Identification Information with your application. If we are not satisfied with the Identification Information, we may request additional information or reject the application.

We have discretion to reject an application (even if we have received cleared funds) or to accept it in part only. We also have discretion to accept a transfer of eligible securities as payment for the units.

Applicants are not entitled to any interest on application monies pending the issue of units. Any interest earned on application monies in the application account (after deducting bank fees and charges) will be periodically allocated to the Funds.

Cooling-off rights

Retail investors can request in writing to have their investment in a Fund cancelled within the 14-day cooling-off period under the Corporations Act. The cooling-off period begins when the investor's transaction confirmation is received or five days after the units are issued, whichever is earlier. If investors do cancel their investment within this cooling-off period, investors may not receive the same amount that was invested due to negative market movements and applicable transaction costs.

There is no cooling-off period with respect to units issued under a distribution reinvestment plan.

How to withdraw units

You may request withdrawal of some or all of your investment in a Fund at any time by providing us with a written withdrawal notice (by letter, fax or other electronic means) in a format approved by us. The notice must be signed by the registered unitholder in accordance with the most recent signing instructions provided by you. Please refer to the fax instruction conditions on page 6.

Processing of withdrawals

Withdrawal notices received by us before the cut-off time on the Valuation Date (currently set at 2.00pm Melbourne time) will be processed at the withdrawal price determined as at the next valuation. Withdrawal notices received by us after the cut-off time will be processed at the withdrawal price applicable to the following Valuation Date.

We may, at our discretion, decline to withdraw units having a value that is less than the current minimum initial investment amount for each of the Funds set out in the relevant Fund PDS, unless the withdrawal notice relates to the balance of your holding. However, the present practice is to accept withdrawals of $10,000 or more.

Please note that, in accordance with the constitutions, the Corporations Act, or other anti-money laundering and counter-terrorism financing obligations, we may suspend or freeze the withdrawal of units in a number of circumstances including where it is impractical to calculate the current unit value, due to, for instance, the closure of a securities exchange or as otherwise required by law.

The description of withdrawal procedures on pages 3 and 4 assumes that a Fund remains liquid within the meaning of the Corporations Act. If a Fund becomes illiquid, we may make withdrawal offers to investors, but we are not required to do so. Given the investment strategies of the Funds, the Funds are not expected to become illiquid in the ordinary course of business.

We can withdraw units without you asking

Under the terms of the constitutions, if a withdrawal of units in a Fund would result in you having units which are worth less than the current minimum initial investment amount for that Fund, we may, at our discretion, treat the withdrawal notice as relating to your entire holding of units in that Fund.

In addition, we may withdraw units without a withdrawal notice if the total value is worth less than the current initial minimum investment amount.

Payment of withdrawal proceeds

Withdrawal proceeds will usually be paid by electronic transfer within 10 Business Days of receipt of the withdrawal notice (the constitutions generally allow up to 30 days) to a nominated Australian bank, building society or credit union account. There are a number of circumstances in which this period may be extended, including where it is impractical for us to calculate the net asset value of a Fund, for example due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where the Fund has assets; a closure or restrictions on trading in a relevant foreign exchange market (impacting on the conversion of any currency); or where the realisation of assets cannot be effected at reasonable prices; or having regard to the value of withdrawal requests received or assets which must be realised to satisfy those requests. In such circumstances, the period for satisfying withdrawal requests may be extended while the circumstances apply.

Withdrawal proceeds cannot be paid to third parties.

However, in relation to some or all of the withdrawal amount, we may, at our discretion, elect to transfer to you assets of a Fund to the value of the withdrawal amount, or hold those assets on trust for you, rather than pay cash.

Transferring your investment

To transfer the ownership of your units in a Fund, you will first need to contact us to request its approval, which may be withheld at our discretion. If we accept a transfer, we will inform you of our requirements in relation to the documentation and processing of the transfer. It is the investor's responsibility to obtain independent advice as to the applicability, extent and payment of stamp duty in relation to the transfer.

The Funds' units are not listed on any securities exchange.

How unit prices are calculated

When you invest in a Fund, you are issued with a number of units in that Fund based upon the amount invested and the current unit price. Each unit represents an equal part of the net asset value of the Fund (based on the market value of the portfolio of investments that the Fund holds).

Unit prices for the Funds are calculated as follows:

- Unit prices – are generally calculated daily. We may elect to calculate unit prices more or less frequently or more than once for a particular Business Day.
- Application prices – are usually calculated each Business Day (Valuation Date) by taking the net asset value of the Fund and adding to it an amount which reflects the estimated cost of acquiring the Fund's assets (subject to the RE's discretion to reduce or waive such costs).
- Withdrawal prices – are usually calculated each Business Day (Valuation Date) by taking the net asset value of the Fund and subtracting from it the amount which reflects the estimated cost of selling the Fund's assets (subject to the RE's discretion to reduce or waive such costs).

The most recent application and withdrawal prices for the Funds can be found at www.ioof.com.au

Unit pricing discretions policy

The constitutions of the Funds allow us to exercise discretions (for example, determining transaction costs and rounding) which may affect unit pricing. Our unit pricing discretion policy sets out, among other things, the principles we adhere to when exercising these discretions. This policy is available free of charge by contacting Investor Services on 1800 002 217.

2. Additional information about the Funds

IOOF Investment Services Ltd (IISL) as Responsible Entity and investment manager

As the RE, we are responsible for the administration and management of each Fund. Under the constitutions and the Corporations Act, we must:

- act honestly and in the best interests of unitholders;
- have adequate arrangements for the management of conflicts of interest that may arise in providing financial services;
- exercise a reasonable degree of care and diligence;
- ensure that a Fund's property is clearly identified, held separately from any other of our property and property of any other scheme, and is valued at regular intervals;

- ensure that any payments made from a Fund are in accordance with the constitution and the Corporations Act;
- ensure that the constitution and compliance plan of each Fund meet the requirements of the Corporations Act; and
- report to ASIC any breaches of the Corporations Act that has had, or is likely to have, a materially adverse effect on the interests of unitholders.

IISL holds an Australian Financial Services Licence (AFSL) that authorises it to act as the RE of the Funds. Details of its AFSL can be found on ASIC's website at www.asic.gov.au

As investment manager of the Funds, IISL's responsibilities include managing the Funds' assets, establishing, implementing and monitoring the Funds' investment objectives and strategies.

Constitutions

Each Fund is governed by a constitution. Together with the Corporations Act, the constitutions set out the conditions under which the Funds operate and the rights, responsibilities and duties of the RE, as well as those of the unitholders. Your rights as a unitholder of a Fund include:

- to share in distributions of income and capital from the Fund;
- to share in the distribution of assets of the Fund if the Fund is wound up; and
- to requisition, attend and vote at meetings of unitholders of the Fund.

Each unit in a Fund confers on its holder an equal interest in the relevant Fund, but no unit confers an interest in any particular part of the Fund's assets or the right to participate in the management of the Fund.

Under the constitutions, IISL has power to borrow on behalf of the Funds. However, we would only borrow where we believe it is in the best interests of unitholders to do so. There is no current intention to borrow on behalf of any of the Funds, other than to the extent required to manage cash flows by way of short-term funding of withdrawals of units and asset purchases.

Copies of the constitution for each Fund are available from us free of charge on request.

We may amend a constitution if we reasonably consider that the change will not adversely affect your rights as a unitholder. Otherwise, we must obtain the approval of unitholders in accordance with the Corporations Act.

Responsible investment

Responsible investment is the practice of considering Environmental, Social and Governance (ESG) factors in the research, analysis, selection and management of investments and the implementation of good stewardship practices.

There are a broad range of ESG factors that may impact the risk profile and or return characteristics of an investment. Some examples include:

Environmental (E)

- Climate change initiatives like reduction in greenhouse gas emissions
- Waste management
- Energy efficiency
- Water supply
- Pollution
- Biodiversity

Social (S)

- Human capital management
- Labour standards
- Modern slavery
- Diversity, Equity and Inclusion (DE&I)
- Workplace health and safety
- Integration with local community and earning a social licence to operate
- Indigenous rights
- Employee engagement

Governance (G)

- Rights, responsibilities and expectations across all stakeholders
- Board structure, diversity and independence
- Executive remuneration (short- and long-term incentives)
- Bribery and corruption
- Anti-competitive behaviour
- Political lobbying and donations
- Shareholder rights
- Tax strategy

With the exception of the Strategic Sustainable Global Bond Fund (SSGBF), the Funds are not promoted as socially responsible or ethical investments.

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

Responsible investment in the Funds

Investment management decisions for the Funds are made by IISL in its capacity as investment manager (Investment Manager), and the underlying investment managers they select. The Investment Manager uses the following responsible investment approaches, where possible, to improve investment outcomes:

- **Identifying and considering relevant ESG factors** in the investment decision-making process (known as ESG integration). This allows them to recognise and act upon opportunities and risks related to ESG.
- **Being active owners** in the companies your money is invested in by using ownership rights, such as proxy voting, and engaging with these companies on a range of commercial, strategic and ESG factors (known as active ownership or active stewardship). This provides an opportunity to enhance and protect the long-term value of investments.

Where there is an exclusion of some sectors and companies because they're associated with certain controversial business activities (known as a negative screen), see the 'What's excluded' section below.

The Investment Manager researches and analyses the underlying investment managers it selects prior to their appointment, including their consideration of ESG factors in their portfolios, where applicable. The Investment Manager monitors and collects regular reporting on each underlying investment manager's approach to responsible investment, including its proxy voting decisions and significant company engagements.

How the responsible investment approaches described above are applied will vary across asset classes and in some cases it's not possible to apply them. The responsible investment approach for an investment manager can change. For example, this can occur through a change in approach by IISL, a change in approach by the underlying investment manager or a change in an underlying investment manager. We will notify you of any such changes in accordance with our obligations under the law.

What's excluded

A negative screen is employed for the Funds to exclude investment in companies which manufacture cigarettes or other tobacco products or generates any revenue from manufacturing cigarettes or other tobacco products (referred to as Tobacco manufacturing in this document). The negative screen will apply to the asset classes of Australian shares, international shares, fixed interest, alternatives and property related securities.

A tobacco manufacturing company is a company that satisfies the following:

- Tobacco manufacturing, or
- >0% revenue limit from tobacco manufacturing.

The negative screen applies in respect of manufacturing and no other business activities by a company. Therefore, the Funds may have exposure to activities related to the value chain for Tobacco manufacturing e.g. raw materials, production inputs, distribution, retail sales and the financing of such activities.

The revenue limit is determined as sales or revenue for the company from tobacco manufacturing as a proportion of the most recent-year net operating revenues from all ongoing lines of business of the company. For example, a 0% revenue limit would mean that any company with more than 0% of its most recent-year net operating revenue or sales coming from Tobacco manufacturing would be excluded from the Funds. The sales or revenue amount for the company is determined on appropriate publicly available revenue data. Our reputable third-party provider assesses and classifies companies' revenue sources to determine their industry classification based on the criteria.

Practical limitations

While this negative screen captures most companies, not all companies are required to make full disclosure about their involvement in these activities (or cannot be identified through indirect ownership structures). There are limitations in the availability, collection and reporting of this information. If a company's revenue mix changes (e.g. prior non-disclosure, or due to merger or demerger activities) and then exceeds the permitted revenue thresholds, a timely review of that company will be undertaken after it has been identified and its securities will be excluded as required.

The negative screen does not apply to cash or the indirect exposure to the underlying investments of external trusts which may be held.

The Funds may, from time to time, have a small level of unintended exposure. This could occur where there is a delay in data availability, an inability to exit an investment or as a result of indirect exposure through an externally managed investment. The Funds could have an exposure through the use of index options, futures, or exchange traded funds.

Responsible Investment in the Strategic Sustainable Global Bond Fund

The following additional information (up to the end of 'The SSGBF investment manager(s) data definitions' section) should be read in conjunction with the SSGBF PDS.

For SSGBF, all references to securities should be read as fixed interest securities, mortgage backed securities and money market securities.

In relation to the SSGBF, IISL appoints investment manager(s) (SSGBF manager(s)) that take into account the labor standards, environmental, social, ethical and governance considerations described below ('Sustainability Considerations') when selecting, retaining or realising investments of the SSGBF. Specifically, SSGBF manager(s) apply an assessment of a number of non-financial Sustainability Considerations which they believe may be important to investors when making investment decisions.

Sustainability Considerations taken into account for SSGBF are based on available data, either actual or estimated, and the SSGBF manager(s) interpretation of the data. Definitions of the metrics 'revenue', 'carbon intensity' and 'potential emissions from reserves' used as part of applying the Sustainability Considerations are outlined below under the heading 'SSGBF manager(s) data definitions'.

The Sustainability Considerations that are taken into account for the SSGBF are the Carbon Footprint Reduction Goal and Sustainability Score explained below:

Carbon Footprint Reduction Goal

The SSGBF has a carbon footprint reduction goal. Specifically, SSGBF aims to have a reduction in weighted average carbon intensity, and reduction in weighted average potential emissions from reserves, relative to a particular benchmark index ('Carbon Footprint Reduction Goal') as detailed in the table below. There is no guarantee that the SSGBF will meet its Carbon Footprint Reduction Goal. An example of when this could happen is if the universe of SSGBF permitted assets became less carbon intensive, particularly the worst emitters. Therefore, there is a potential risk that excluding the worst emitters from SSGBF would no longer result in the SSGBF meeting the Carbon Footprint Reduction Goal.

Relevant Benchmark Index with respect to holdings of corporate issuers only	**SSGBF Carbon Footprint Reduction Goal**	
	Weighted Average Carbon Intensity	**Weighted Average Potential Emissions from Reserves**
Bloomberg Global Aggregate Corporate Index	50%	75%

This is a weighted average of the carbon intensity of SSGBF holdings compared to those holding in the index and is a targeted minimum reduction. This means that if the index has a weighted average carbon intensity amount of 100 and weighted average potential emissions from reserves of 100, the SSGBF goal is to have maximum amounts of 50 and 25 respectively.

The SSGBF manager(s) intend to achieve the Carbon Footprint Reduction Goal for the SSGBF by ranking companies at a portfolio and sector level on metrics described below. Specifically, these metrics relate to carbon emissions and are applied to increase exposure relative to the benchmark (known as overweighting) to companies with lower emission profiles and decrease exposure relative to benchmark (known as underweighting) or exclude companies with higher emission profiles. The following processes will be applied to the SSGBF:

Portfolio level

From a portfolio level, securities of companies with higher emission profiles are treated in the following manner:

- Generally, based on Sustainability Score, corporate bonds of companies ranking in the worst 10% of the SSGBF's eligible universe by market value will be excluded;
- Generally, the SSGBF manager(s) exclude securities of corporate, government agency and supranational issuers they deem to have material potential emissions from reserves and typically this would result in the SSGBF removing all exposure to high potential emissions (relative to peers) from reserves (as defined below); and
- Generally, securities of agency and supranational issuers whose carbon intensity is higher than the worst 10% of the corporate universe by market value will be excluded.

Sector level

Companies in each industry sector are ranked by the company's carbon intensity and then categorised as a low, medium or high carbon intensity issuer, each category being a third of that industry's market weight. The SSGBF manager(s) will generally overweight the group of issuers with lower carbon intensity, and underweight the group of issuers with higher carbon intensity.

In relation to the Carbon Footprint Reduction Goal, the above processes mean that individual securities are evaluated relative to SSGBF's permitted assets and against relevant industry peers rather than against strict individual sustainability targets, such as absolute maximum emissions criteria or minimum scoring criteria. Also, because the Carbon Footprint Reduction Goal is applied at the portfolio level, the SSGBF manager(s) may overweight a security which has a worse Sustainability Score compared to sector peers or other eligible securities where doing so still achieves the Carbon Footprint Reduction Goal.

Sustainability Score

The Sustainability Score for a company is calculated according to SSGBF manager(s) proprietary weighted scorecard which utilises an assessment of the business practice involvement metrics and business practice definitions by a reputable third-party data provider:

Business practice	Business practice involvement criteria	Score Weighting
Greenhouse gas (GHG) emissions intensity	A company's most recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) GHG emissions in carbon dioxide equivalents (CO_2e) normalised by sales (metric tons CO_2e per USD million sales). GHG included are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and Nitrogen trifluoride (NF_3).	85% of score
Land use and biodiversity	An assessment of a company's history of disturbing large and/or fragile ecosystems and whether they have adequate policies and programs designed to protect biodiversity. This indicator measures the severity of controversies related to a company's use or management of natural resources where there is a negative impact on ecologically sensitive areas (primarily species loss, reduction in biodiversity, habitat damage, depletion of or competition for natural resources).	15% of score
Toxic spills and releases	This measures the severity of a company's controversies related to their operational non-GHG emissions or releases to land, air, and/or water (controversies related to accidental spills or releases as well as the environmental impacts of standard operational emissions, whether within or in exceedance of levels allowed by permit). This could include an assessment of a company's involvement in non-greenhouse gas-related legal cases, criticisms by reputable NGOs around non-GHG emission practices, resistance to improvement practices, and direct impact due to non-GHG emissions.	
Operational waste	This measures the severity of controversies related to the impact of a firm's non-hazardous, non-toxic operational waste, meaning waste, emissions, or effluents produced through normal operations and/or as part of the production of a product (controversies related to toxic and hazardous waste emitted to air, land, or water). This could include an assessment of a company's history of involvement in non- hazardous waste-related legal cases, criticisms by NGOs around non-hazardous waste practices, resistance to improvement practices and direct impact due to non-hazardous waste.	
Water management	This measures the severity of controversies related to a firm's water management practices (ecological damage resulting from water withdrawals, depletion of water resources for other users, and regulatory action or community disputes regarding the company's water usage). This could include an assessment of a company's history of involvement in water-related legal cases, criticisms by NGOs around water practices, resistance to improvement practices and direct impact due to water pollution. This does not capture water pollution cases, which are within the scope of Toxic spills and releases (refer to above business practise category).	

Screening process

Company exclusions

In addition to the Carbon Footprint Reduction Goal, as part of the screening process the SSGBF manager(s) exclude companies which meet certain business practice involvement criteria (which include revenue thresholds).

The SSGBF manager(s) utilise reputable third-party data providers to assess business practice involvement. The third-party data provider(s) rely primarily on the financial statements of companies and their reported revenues. They may also rely on additional information sources where it considers appropriate examples include company annual reports and regulatory filings, company websites, direct communication with company, government agencies and disclosures, reputable Non-Governmental Organisation (NGO) reports and websites.

SSGBF screens the following business practices (as defined by third-party data providers or an industry classification system).

Business practice	Business practice involvement criteria including revenue thresholds
Coal	Evidence of owning proven and probable thermal or metallurgical coal reserves or revenue from the mining of thermal coal and its sale to external parties.
Factory farming	10% of revenue from sectors related to factory farming. Factory farming is generally recognised as food animal production facilities characterised by a large number of animals in a confined space.
Palm Oil	>10% of revenue from palm oil farming and/or palm oil processing.
Controversial weapons	The manufacture of cluster munitions or anti-personnel mines (landmines) or their essential components, chemical and biological weapons, or depleted uranium ammunition and armour.
Nuclear weapons components, systems and support services	The manufacture of components of nuclear weapons or platforms that are capable of the delivery of nuclear warheads, or provision of support services related to nuclear weapons (such as the repair and maintenance of nuclear weapons).
Tobacco	>0% of total revenue from the manufacturing of tobacco products or, >10 % of total revenue related to tobacco products.
Child labour	Companies involved in severe controversies related to child labour practices, including a company's own operations or its supply chain. Examples being that the company has used underage workers or that underage workers are present at supplier facilities. This is an inherently difficult activity to identify which is unlikely to be disclosed across the supply chain.
Alcohol	>10% of revenue derived from alcohol or alcohol products where the revenue is from each of the following subcategories: producer, distributor, supplier, retailer, and licensor.
Gambling	>10% of revenue derived from gambling where the revenue is from each of the following subcategories: own or operate gambling facilities, support services, licensing agreements. This exclusion does not apply to companies that only own property on which casinos are located or companies that lease land or space on which casinos are operated are excluded from this screen.
Adult entertainment	>10% of revenue from the production, distribution or retailing of adult entertainment products. Adult entertainment products mean a product in which the dominant theme is "sexually explicit" conduct, specifically the depiction or description of sexual or excretory activities in a lascivious way.
Personal firearms	The manufacture of handguns, pistols, shotguns, rifles, revolvers, and ammunition for civilian (non-military) use, or >20% of revenue from distribution of personal firearms.

Practical limitations specific to SSGBF

The exclusions of certain securities based on the specific criteria as outlined in the table above are applied at a company level. To implement these exclusions, the SSGBF manager(s) generally avoids purchasing companies which, in their opinion, are directly involved in the above business practices, for example through the creation, manufacture or supply of those factors. SSGBF manager(s) will consider indirect involvement, for example through ownership structures which may also (but will not always) lead to exclusion. Should the SSGBF manager(s) form the view that existing holdings, eligible at the time of purchase, subsequently become ineligible, they will be divested within a reasonable period of time considering turnover, liquidity and associated trading costs. In most circumstances, they would normally expect to divest within three months. However, there may be circumstances, such as suspension, delisting or low liquidity, that may cause divesting to take longer.

Investments in securities of sovereign issuers and To-Be-Announced (TBA) securities are generally not subject to the Sustainability Considerations identified above therefore may result in an exposure that would otherwise be excluded or underweighted from SSGBF. We do not expect that potential returns of the SSGBF would be reduced by any exposures that would otherwise be excluded or underweighted from SSGBF. These instruments are not included when calculating progress against the SSGBF's Carbon Footprint Reduction Goal.

Derivatives

The SSGBF is permitted to invest in derivative instruments, including futures. These instruments may cause indirect exposure to securities that would typically be excluded or underweighted through the processes described above. Except for TBA securities, these instruments are generally only used on a temporary basis for managing large cashflows.

SSGBF manager(s) sustainability-related metrics

Depending on each Sustainability Consideration, the SSGBF manager(s) may engage one or more third-party service providers to provide research and/or ratings information related to the Sustainability Considerations with respect to securities in the SSGBF, where public information is available from such providers. This information may be cross-referenced and supplemented in order to create a proprietary data set by the investment manager(s). Alternatively, data may be created and maintained internally by their portfolio management team, using reported financial data and sector information, among others.

The SSGBF manager(s) may not have company data for particular Sustainability Considerations for every security in SSGBF's eligible universe. In these cases, the SSGBF manager(s) may still invest in these securities. Securities for which data may not be available are typically issued by relatively small companies, private corporate debt issuers or government-related entities that fall outside the permitted SSGBF assets of external vendors and for which relevant public information is hard to identify manually. These issuers often have attractive investment characteristics. Therefore the SSGBF manager(s) believe that the small risk of holding an immaterial exposure to these types of securities by including securities of potentially involved issuers in the SSGBFs eligible universe (instead of making all companies ineligible) is more than offset by the diversification and investment benefits of holding these companies in aggregate. For companies where carbon intensity data is not available, SSGBF manager(s) apply a sector average value.

Monitoring and reporting

The Sustainability Considerations, Sustainability Scores and other security weightings are subject to ongoing reviews and where appropriate amendment by the SSGBF manager(s). The Sustainability Considerations, Sustainability Scores or responsible investment approach for SSGBF manager(s) can change. For example, this can occur through a change in approach by the SSGBF manager(s) or a change in a SSGBF manager(s). We will notify you of any material changes in accordance with our obligations under the law.

Sustainability Considerations and Sustainability Scores are generally reviewed by the SSGBF manager(s) in accordance with updates from third party service providers where these are used, on at least an annual basis. When, upon review, an investment no longer complies with the investment guidelines (or its Sustainability Score changes), the SSGBF manager(s) will generally take a patient approach to either divestment or appropriate changes to weightings.

Where appropriate the SSGBF manager(s) will refer portfolio companies exposed to particular Sustainability Considerations (most commonly for governance-related matters) to its internal stewardship function for engagement. The information learned during engagements and a portfolio company's actions post-engagement may be used as the basis for potential escalation of stewardship activities, including proxy voting. However, there is no guarantee any engagement activities undertaken by SSGBF manager(s) will achieve their desired outcome.

SSGBF manager(s) data definitions

- **Revenue** is generally the total sales and revenue from normal operating activities before the deduction of costs and taxes, with a preference placed on most recent year audited financial statements where available from third-party data providers. When a breakdown of revenue by business activity is not available, estimates or derivations are applied by the data provider based on ancillary information such as the company structure, business model, supply chain characteristics, and company financials.
- **Carbon intensity** means a company's most recently reported or estimated ls Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents (CO2e) normalised by sales (metric tons CO2e per USD million sales). GHG included are carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6), and Nitrogen trifluoride (NF3).
- **Potential emissions from reserves** means the SSGBF manager(s) estimated calculation of the carbon dioxide produced from an oil and natural gas company's proved reserves as disclosed by a company, and proved and probable reserves when not disclosed. For coal it uses proved as reported by the company and probable reserves. These reserves are then converted to potential emissions based on a reputable climate research institute formula, such formula determined by the SSGBF manager(s).

Compliance plans

Each Fund has a compliance plan which covers compliance areas prescribed by the Corporations Act and ASIC policy. Each compliance plan describes key controls and measures designed to ensure that IISL's business activities in respect of each Fund comply with the Fund's constitution and the Corporations Act. The compliance plans are externally audited annually in accordance with the law. Copies of the compliance plans are available free of charge on request.

Custodians of Fund assets

We have appointed custodians for certain assets of the Funds.

The custodians may only act in accordance with the terms of the custody agreements between us and them. Under the constitution for each Fund, we have the discretion to change the custodians at any time, subject to the terms of the custody agreement.

Liability of IISL

Each constitution contains limits on the RE's liability, including limiting its liability to the extent to which we may be indemnified for that liability out of the assets of the relevant Fund. The limitation of liability is subject to the Corporations Act and accordingly will not apply if a particular liability arises because of the failure by us to perform our duties properly.

Your privacy

We are committed to protecting your privacy. Any personal information we collect about you will be handled in accordance with our privacy policy, which outlines how we manage your personal information, how you may access or correct your personal information, and how you may complain about a breach of your privacy. To obtain a copy of our privacy policy, please contact Investor Services on 1800 002 217 or visit **ioof.com.au/privacy**

We collect your personal information from the application form you complete when applying for this product for the purpose of providing you with the products and services that you request and for related purposes, including providing you with financial advice and ongoing services in relation to your account with us, or providing information about other products and services that may be of interest to you. If you do not provide all the information requested in your application form, we may not be able to process your application.

To verify your identity for Know Your Customer (KYC) purposes, we may also solicit personal information about you from reliable identity verification service providers.

For the purpose of providing you with the products or services you have requested, we may disclose your personal information to our related bodies corporate or external parties, including your financial adviser or employer, banks or other financial institutions, medical professionals, insurers, legal or accounting firms, auditors, mail houses, or when required or authorised to do so by law. It is generally unlikely that we will disclose your personal information overseas; however any overseas disclosure does not affect our commitment to safeguarding your personal information and we will take reasonable steps to ensure any overseas recipient complies with Australian privacy laws.

Disclosure of interests

IISL receives fees and may be entitled to reimbursement of certain expenses as outlined in this AIB and the relevant Fund PDS. From time to time IISL may hold units in some or all of the Funds on its own account.

Fax or electronic instructions

If you choose to fax or send instructions via other electronic means (such as email) regarding your investments, you release us from, and indemnify us against, all losses and liabilities arising from any payment or action we make based on any instruction (even if not genuine) that we receive by fax or electronic means bearing your account number and a signature that appears to be yours or that of an Authorised Signatory on the account. You also agree that neither you nor anyone claiming through you has any claim against us or the Funds in relation to these payments and actions. You also agree that instructions sent to us by fax or other electronic means are only deemed to be received if they have been received by us in a legible form and without error.

Please be aware of the risk of someone giving us a fraudulent withdrawal notice by getting access to your account number and a copy of your signature.

Anti-money laundering

Under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF Act), we are required to collect original certified copies of original document(s) (not scanned copies) which must be valid at the time you send them to Investor Services to verify your identity and that of related parties (including if you are a non-individual entity, identity of any persons who are deemed to own or control (directly or indirectly) you (beneficial owner)).

In addition, under the AML/CTF Act, we may be required to ask you for additional identity verification documents or information about you, a related party or a beneficial owner either when we are processing your application or at some stage after we issue the units.

Until we receive this documentation - or if we have concerns that a transaction requested by you, or anyone authorised to act on your behalf, might breach any obligations we have under legislation or cause us to commit or participate in an offence, under any law - we reserve the right to:

- block, suspend or refuse to process transactions
- freeze accounts or access to funds, or
- close your account without further notice.

These actions may be taken if we have reasonable grounds to suspect that there is a breach of any of our regulatory obligations, including where there may be a risk of damage to our reputation.

We also reserve the right to report details of accounts, account applications or transactions to the relevant authorities.

Where transactions are delayed, blocked, frozen or refused in the above circumstances, we're not liable for any loss you suffer, including consequential loss. We will incur no liability to you or a related party if we do so.

3. Information about your investment

Information to be sent to Direct Investors in the Funds (including the operator of Investor Services)

After you have invested, you will be sent:

- transaction confirmations showing details of each application or withdrawal;
- annual periodic statements, outlining the total value of the investment at the end of the period, including any withdrawals, additional investments and income distributions received;
- income distribution statements;
- if a Fund has attributed income during the year, an AMMA statement after 30 June showing all attribution, distribution and cost-base adjustment information to assist you in preparing your tax return; and
- annual reports, comprising audited accounts, together with reports from the RE and the auditor (if you have chosen to receive the annual report).

You can elect to receive, free of charge, a copy of the annual financial report as a hard copy or an electronic copy by contacting us. If you do not make an election, you can access a copy of the annual report on the IOOF website (www.ioof.com.au).

Persons who invest in a Fund via an Investor Service will not receive the above documentation directly from us. These will be provided to your Investor Service, which will report to you on your investments in accordance with the arrangements governing the Investor Service.

Disclosing entities

One or more of the Funds may become a 'disclosing entity' as defined in the Corporations Act. Where this occurs, it will be subject to regular reporting and disclosure obligations under the Corporations Act.

Copies of documents lodged with ASIC in relation to a Fund may then be obtained from, or inspected at an ASIC Office. If a Fund becomes a disclosing entity, please contact us if you wish to obtain a copy of the following documents:

- the annual financial report most recently lodged with ASIC for the Fund
- any half-year financial report lodged with ASIC for the Fund after the lodgement of that annual financial report and before the date of the PDS
- any continuous disclosure notices given for the Fund after the lodgement of that annual financial report and before the date of the PDS.

Any other continuous disclosure notices required under the Corporations Act will be made available at www.ioof.com.au, in accordance with the requirements of ASIC policy.

How you can obtain up-to-date information

Information in this AIB and the PDS may change. If a change will be materially adverse to Investors, a new PDS will be issued for the relevant Fund. However, if a change will not be materially adverse to Investors, updated information will be provided on the IOOF website (www.ioof.com.au). A paper copy of new information can also be requested, at no charge, by calling Investor Services on 1800 002 217 or your Investor Service.

If you would like more information about the Funds generally, you can contact your financial adviser.

4. Distributions

What distributions will be made?

Each of the Funds may earn income, which means you may receive income (such as interest, dividends and realised capital gains) in the form of income distributions or attributable income.

The type of income you receive depends on the underlying asset classes within the Fund(s).

Income attributed or distributed to you is generally assessable income and can be made up of both income and realised capital gains. Such income is generally calculated based on the Fund's net income at the end of the distribution period divided by the number of units on issue.

The Funds generally distribute income based on the frequency and dates specified in each of the Fund's PDS and based on the number of units held on the distribution date.

Distributions are normally paid within 30 days of those dates.

There may be times when income distributions may not be made, are lower than expected or are delayed. We may also choose to distribute income or capital at any other time.

Your distribution choices

You may choose on the application form to have your distributions:

- reinvested in additional units in the relevant Fund; or
- paid directly to your nominated financial institution account.

Please note that if you do not make a distribution choice, distributions will automatically be reinvested in additional units in the relevant Fund.

Where your distributions are reinvested, the units you will receive will be issued without any buy spread added. If you choose to have your income distribution credited to a nominated financial institution account and the payment is rejected, this will be taken as a direction to reinvest that income distribution and all future income distributions.

You may change your choice of distribution payments up to 10 days prior to the expiration of the current distribution period by sending us a written request.

We have the discretion to decline your request. If the request is declined, we will notify you within a reasonable time frame. Distributions generally cannot be paid to third parties.

You will be sent a statement detailing your income distributions or attributable income.

Note: Indirect investors will need to consider the Investor Service offer document about what distribution payment options are available to them.

5. Additional information about investing and risk

By investing in the Funds, investors are exposed to degrees of risk.

Please refer to the relevant Fund PDS for a summary of risks specific to that particular Fund.

Asset class risk

Asset class describes a type of investment, such as shares, property, fixed interest and cash. Different asset classes have different levels of risk and return. Asset class risk is the risk arising from investing in a particular asset class. For example, shares are generally more volatile (ie they are likely to experience greater fluctuations in value) than fixed interest investments. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Counterparty risk

This is the risk that a party to a contract will not live up to its contractual obligations, for example, a counterparty defaults on repayment on a loan or settling on a derivatives contract.

Credit risk

The market value of securities could fall if the issuer or guarantor of a fixed interest security defaults or delays on principal repayments and/ or interest payments, or is otherwise unable to honour its obligations.

Currency risk

Movements in currencies may affect the value of a Fund's investments or earnings denominated in a foreign currency. Currency hedging may reduce exposure to foreign currency fluctuations, however, investors should be aware that hedging against currency fluctuations involves costs and implementation risks due to the volatility of currency and securities markets.

Derivative risk

Derivatives are contracts between two parties that usually derive their value from the amount or value of an underlying asset, rate or index. Derivatives may be used by a Fund to gain, reduce or modify exposure to a particular asset class or currency. Risks associated with using these types of securities might include the value of the derivative failing to move in line with the underlying asset, potential illiquidity of the derivative and counterparty risk (this is where the counterparty to the derivative contract cannot meet its obligations under the contract).

Emerging markets risk

Emerging markets expose investors to additional risks beyond risks associated with investing in developed international markets. These additional risks may include greater price volatility, less liquidity, more government intervention in the economy, greater political uncertainty (including less certain tax policies) and less government supervision and regulation of securities markets.

Infrastructure risk

The value of securities of infrastructure companies the Fund invests in may be affected by changes such as increases in interest rates, fuel prices and general operational costs which can result in reduced earnings for these companies. Infrastructure securities are also impacted by political, tax and regulatory requirements.

Interest rate risk

Changes in interest rates may affect the value and returns on investments.

International investment risk

Investing in international markets exposes a Fund to additional risks associated with currency movements, differing tax structures, accounting, auditing and financial reporting standards, and social, economic and political factors that affect a country or region.

Liquidity risk

Liquidity risk arises from the absence of an established market or a shortage of buyers for an asset (including a derivative) resulting in an inability to sell at the current valuation in a timely fashion. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid.

Market risk

Unexpected conditions such as market sentiment, government regulations and local and international political events may have a negative impact on the returns of all investments within a particular market. Market risk may have different impacts on each type of asset, investment style and investor.

Real estate industry risk

The value of securities in the real estate industry may be affected by changes in real estate values and rental income, property taxes, increases in operating expenses, interest rates, and tax and regulatory requirements (including changes to zoning laws).

Regulatory risk

Regulatory risk arises from policy, regulatory or taxation changes introduced by a government or a regulator, which may affect the returns of investors. These policy, regulatory or taxation changes may occur in Australia or other countries to which a Fund has exposure.

Security specific risk

This is the risk of change in the value of a security caused by factors that are specific to a company or security. For example, changes to a company's operations or management, its business environment or financial position, or market sentiment.

Term risk

Many factors can affect the value of fixed interest securities, including changes in real interest rates, inflation, supply and demand, early repayment and risk aversion. In general, the longer the duration of a bond, the more sensitive it may be to these factors.

Fund risk

Risks particular to each Fund include that it could terminate, the fees and expenses could change, the RE and/or underlying investment manager could be replaced and/or the key personnel of the RE or underlying investment manager could change.

6. Additional information about fees and costs

Fees and costs summary

This section provides further information about the fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. It is our intention to pay such amounts from the Funds' assets.

Further information about taxes is set out in another section of this AIB.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for particular Funds are set out in this section. These fees are quoted inclusive of goods and services tax (GST) and after taking into account any expected reduced input tax credits (RITCs). Where fees have been quoted to two decimal places, the actual fee may have been rounded.

Strategic Funds		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment	Estimated to be between 0.25% and 0.43% pa of the net asset value (NAV) of each Fund, comprised of: 1 A management fee of between 0.25% and 0.43% pa of the NAV of each Fund, depending on the Fund 2 Estimated indirect costs of 0.00% pa of the NAV of each Fund	1 The management fee is calculated on the NAV of each Fund. It is not deducted from your account directly but from the assets of each Fund. It is accrued daily and paid monthly, and the accrued amount is incorporated into the daily unit price of each Fund. 2 Indirect costs are generally deducted from the assets of each Fund as and when they are incurred.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	Not applicable
Transaction costs The costs incurred by the scheme when buying or selling assets	Estimated to be between 0.00% and 0.03% pa of the NAV of each Fund	These costs are paid from the assets of each Fund as and when they are incurred. They are not deducted directly from your account but from the assets of each Fund and incorporated into the daily unit price of each Fund.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	Estimated to be between 0.00% and 0.10% on investments into the Funds and between 0.00% and 0.10% on withdrawals from the Funds, depending on the Fund.	The buy-sell spread is the difference between the application price and withdrawal price. It is an adjustment determined by the RE to take into consideration costs incurred when buying and selling the underlying securities in each Fund. The buy-sell spread is included in the unit price of each Fund and is not charged to you separately.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

Management fees and costs

The estimated management fees and costs are fees and costs for investing the Funds' assets. The management fees and costs don't include performance fees, transaction costs or the buy-sell spread.

Management fees and costs are made up of the management fee and indirect costs described below.

As of the date of this AIB, we have agreed to cap the management fees and costs for the Funds as set out in the table below. We have the right to vary or remove a Fund's management fees and costs cap (subject to the management fee limit set out in the constitution), but will give unitholders 30 days written notice of any such variation or removal.

Management fee

The management fee is an estimate and includes fees charged by:

- underlying investment managers, and
- the Responsible Entity for managing the assets of the Funds and overseeing the day to day operations of the Funds.

The Responsible Entity will pay out of its portion of the management fee any fees and other costs and expenses incurred in operating the Funds ('operational costs'), such as custody costs, registry costs, auditing fees and tax return fees. The payment of any fees and other costs and expenses out of the management fee does not extend to the performance fee. This will be a cost to the relevant Fund in addition to the management fee.

We have the right to increase our fees up to the limit set out in the relevant Fund's constitution without obtaining the consent of unitholders, but will give unitholders 30 days' advance written notice of such an increase.

Indirect costs

The Funds may also incur costs and expenses that won't be charged as a management fee but are expected to reduce the net return of the Funds. These indirect costs may be incurred through investment in underlying investment funds. These indirect costs are reflected in the daily unit price and any reporting on the performance of the Funds.

Indirect cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this document was issued. Amounts may vary from time to time and you will not be given advance notice of any changes to these amounts. Updated amounts will be available at www.ioof.com.au

Expense recoveries

Expenses incurred in the day-to-day operation of the Funds may be payable from the assets of each applicable Fund.

Currently, we do not recover day-to-day expenses from the Funds separately. Instead we bear those expenses at no additional cost to you. However, any unusual or non-recurrent expenses incurred by the RE in relation to the Funds (such as unitholder meetings, acquisition and disposal or other dealings with any investments, or abnormal operating expenses) would be directly recoverable from the relevant Fund as an additional cost to you for administering your investments.

In respect of the Strategic Cash Plus Fund, the RE is entitled to be reimbursed only for abnormal or extraordinary expenses, should any such expenses arise.

Note, if the RE pays expenses out of its own funds, or reimburses a Fund for expenses authorised by the Fund's constitution to ensure that the management costs cap is not exceeded, it may be reimbursed for those amounts in a subsequent period, provided that the management costs cap for that subsequent period is not exceeded.

Performance fees

There are currently no performance fee arrangements in place with any of the underlying investment managers of the Funds.

Transaction costs

Transaction costs are the costs incurred when assets in the Funds or in underlying investments are bought or sold and includes costs such as brokerage, stamp duty, settlement costs, clearing costs, custody transaction costs and government charges. Transaction costs may also be incurred when the market process for trading assets causes the price paid or received to be different from the value of the assets immediately after the transaction for example, where bid/ask spreads are incurred.

These costs are not included in the management fees and costs and are an additional cost to you. No part of the transaction costs are paid to us or any investment managers.

The indicative estimated transaction costs for the Funds (based on the 30 June 2023 financial year) are detailed in the table below:

	Total estimated gross transaction costs (% pa)[1]	Minus buy-sell spread recovery (% pa)[1, 2]	Equals transaction costs (% pa)[3]
Strategic Australian Equity Fund	0.01	0.01	0.00
Strategic Cash Plus Fund	0.00	0.00	0.00
Strategic Fixed Interest Fund	0.00	0.00	0.00
Strategic Global Property Fund	0.01	0.01	0.00
Strategic International Equity Fund	0.01	0.01	0.00
Strategic Sustainable Global Bond Fund	0.00	0.00	0.00
Strategic Infrastructure Fund[4]	0.04	0.01	0.03

1 Presented as a percentage of the average Fund size and based on the past financial year as at the date of this AIB.

2 The buy-sell spread is incurred by those investors trading (buying and selling investments) in the Funds.

3 This is the estimated percentage by which the Fund's investment return has been reduced by transaction costs.

4 The estimated transaction costs are based on transaction costs of the Fund adjusted to reflect a 12-month period ending 30 June 2023 and include estimates where information is unavailable at the date of this AIB.

You can determine the dollar value of these costs by multiplying the transaction cost rate with your average account balance.

For example, the transaction costs on an average balance of $1,000,000 in the Strategic Global Property Fund, is estimated at $0 pa (ie $1,000,000 x 0.00% pa). However, it is important to note that such costs for future years may differ.

Transaction costs in the 'Fees and costs summary' are stated net of the amount recovered through the buy-sell spread.

Total ongoing annual fees and costs

The current estimated management fees, estimated indirect costs, estimated transaction costs, estimated performance fees and total estimated ongoing annual fees and costs for each Fund are detailed below. It also provides the estimated buy-sell spread for each Fund.

Fund	Estimated management fees (% pa)[1]	Estimated indirect costs (% pa)[1]	Estimated transaction costs (% pa)[1]	Estimated performance fees (% pa)[1]	Total estimated ongoing annual fees and costs (% pa)	Buy-sell spread[2] (%)	
						Buy spread (%)	Sell spread (%)
Strategic Australian Equity Fund	0.27	0.00	0.00	0.00	0.27	0.05	0.05
Strategic Cash Plus Fund	0.25	0.00	0.00	0.00	0.25	0.00	0.00
Strategic Fixed Interest Fund	0.28	0.00	0.00	0.00	0.28	0.02	0.04
Strategic Global Property Fund	0.38	0.00	0.00	0.00	0.38	0.04	0.04
Strategic International Equity Fund	0.39	0.00	0.00	0.00	0.39	0.03	0.04
Strategic Sustainable Global Bond Fund	0.33	0.00	0.00	0.00	0.33	0.10	0.05
Strategic Infrastructure Fund	0.43	0.00	0.03	0.00	0.46	0.10	0.10

1 These estimated fees and costs are subject to change from time to time. The actual fees and costs may vary from the estimated fees and costs listed above, depending on changes to the composition of the Funds' underlying assets, changes to underlying investment managers and their fees, where any unusual or non-recurrent expenses are incurred or any changes to other related expenses.

2 The actual buy-sell spread may differ from the estimated spreads listed. Buy-sell spreads are subject to change from time to time without prior notice. See pages 10 and 11 for additional information on transaction costs and the buy-sell spreads.

Buy-sell spread

You incur the buy-sell spread when you buy or sell units in the Funds. The buy spread is added to the unit price when you buy units. The sell spread is deducted from the unit price when you sell units. The buy-sell spread is not a fee and no part of the buy-sell spread is paid to us or to any investment managers. The buy-sell spread is retained in the Funds to cover the estimated transaction costs incurred as a result of investor applications and redemptions.

Buy-sell spreads may change from time to time. Increases (and decreases) may be significant. The latest buy-sell spreads can be found at www.ioof.com.au. Investors may not be notified of changes, and should check current buy-sell spreads before making any investment decision.

Reinvestment of distributions do not incur the buy spread.

Note: we may, in connection with any particular application or withdrawal, deem the buy-sell spread to be a lesser amount than estimated, including zero, or use an estimated average percentage cost in accordance with our policy on unit pricing discretions. A copy of the policy is available free of charge.

The transaction costs vary between the Funds and may be amended without notice, from time to time.

There is no limit to the transaction costs that may be charged under the Fund Constitutions, but if we decide to increase the maximum buy-sell spread allowance (0.35%-0.35%) we will give unitholders 30 days' advance written notice of such an increase.

Differential fee arrangements

We may charge, rebate or waive management fees to certain Professional Investors, sophisticated investors or wholesale clients on a basis that differs from that applying to other unitholders, based on individual negotiations with those investors, in accordance with applicable ASIC instruments and relevant law. These arrangements do not involve any extra costs to the Funds.

Fees may be waived

Under the constitution for each Fund, we may waive or defer the payment of our management fees and reimbursement of expenses. We may also elect to receive units in a Fund instead of cash.

Where payment of our management fees is deferred, the fees accrue daily until paid.

Payments to Investor Services

A Fund may make payments to operators of an Investor Service such as Investor Directed Portfolio Services (IDPS), master trusts and wrap accounts for various services provided. Expense recoveries relating to such payments will be divided equally amongst the Funds that receive such services from the Investor Service.

Interfunding

Where the Funds invest in other unit trusts, including Insignia Financial Group unit trusts, we ensure there is no doubling-up of management fees and costs.

Financial adviser fees

Additional fees may also be payable to your financial adviser if consulted. Such fees will be set out in the Statement of Advice that they provide to you.

7. Taxation information

The AMIT regime

Each of the Funds is an Attribution Managed Investment Trust (AMIT).

This means:

- The Funds will be deemed to be a ‘fixed trust’ for taxation purposes.
- The allocation of taxable income to its investors is based on “attribution” on a “fair and reasonable basis”, rather than a present entitlement to the “income of the Fund” for each financial year and the Fund is not liable for tax provided all its taxable income is attributed to investors.
- A Fund may make year-on-year adjustments to reflect under-or-over distributions of the Fund’s income.
- Investors may increase or decrease the cost base of their units where taxable income attributed is either greater than or less than (respectively) broadly the cash distribution and tax offsets for an income year, to help alleviate the potential for double taxation.

Under the AMIT regime:

- Australian residents will include their share of the Fund’s taxable income in their income tax return, and
- non-residents may have withholding tax deducted from distributions they receive from the Fund.

The Fund may accumulate income which is reflected in the unit price. Taxable income is attributed to investors, even if the Fund doesn’t distribute its income.

However, we intend to continue our current practice of distributing all of the Fund’s taxable income (including any capital gains) to our investors each financial year. We will notify you if this changes.

The details of the taxable income attributed to you will be set out in an AMIT Member Annual Statement (AMMA Statement), which will contain all necessary tax information. The tax payable (if any) depends on your individual tax profile and applicable tax rate.

If you disagree with our attribution of taxable income, you can object to the Commissioner of Taxation. If you decide to take this course, it is important that you obtain professional tax and legal advice. The constitution provides for you to give us notice before making an objection, so please do so and we will work with you to try to resolve the issue.

Taxation of Financial Arrangements (TOFA) regime

Certain financial arrangements may be taxed under the TOFA regime. The TOFA provisions aim to align the taxation recognition of gains and losses on financial arrangements with commercial recognition of such gains and losses. Under TOFA, the gains and losses on financial arrangements are recognised on an accruals basis rather than on realisation basis. In some cases, amounts may be recognised for taxation purposes before the relevant gains or losses are realised by the Fund.

Goods and Services Tax (GST)

GST will not apply to applications or withdrawals from a Fund. Certain expenses incurred by each Fund may be subject to GST (currently at a rate of 10 per cent). The Funds may be able to claim a reduced input tax credit (RITC) in relation to those expenses subject to GST. Unless otherwise stated, the fees quoted in the PDS and the AIB take into account the expected net impact of GST (ie net of available RITCs).

Tax File Numbers and Australian Business Numbers

You are not required to quote your TFN or Australian Business Number (ABN) (if applicable), nor claim an exemption from providing a TFN. However, if a TFN or ABN is not provided or an exemption is not claimed, the Responsible Entity is required by law to withhold tax from distributions at the top marginal tax rate plus the Medicare Levy. If you are making this investment on behalf of a business or enterprise you carry on, you may quote your ABN instead of a TFN.

8. Other important information

Foreign Account Tax Compliance Act and the Common Reporting Standard

The United States' (US) Foreign Account Tax Compliance Act (FATCA), and the Organisation for Economic Co-operation and Development (OECD) Common Reporting Standard (CRS) regimes require financial institutions, including IISL, to identify and report certain information relating to investors who are, or who may appear to be, a resident of any foreign jurisdiction(s) for tax purposes. This information is required to be reported to the Australian Taxation Office (ATO) who may exchange this with other countries that have implemented these regimes. We are required by law to ask investors to provide additional information to us and/or to report investors meeting certain criteria.

9. Glossary

In this AIB, references to:

AML/CTF Act and Rules	Means *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) and Anti-Money Laundering and Counter-Terrorism Financing Rules (as amended from time-to-time).
ARSN	Means Australian Registered Scheme Number.
ASIC	Means the Australian Securities and Investments Commission.
Authorised Signatory	Means one or more signatories of the investor as instructed via the application form.
Business Day	Means a business day in Melbourne, Victoria, Australia.
Constitution	Means the constitution for a particular Fund as amended or replaced from time to time.
Corporations Act	Means the Corporations Act 2001 (Cth) as amended from time to time.
Direct Investor	Means an investor who is a registered holder of units in one or more of the Funds, as opposed to an indirect investor who holds an interest indirectly through an Investor Service, such as an Investor Directed Portfolio Service (IDPS), IDPS-like scheme, master trust, wrap account, or a nominee or custody service.
Fund	Means one or more, depending on the context, of: Strategic Global Property Fund ARSN 133 312 571 Strategic Australian Equity Fund ARSN 133 312 820 Strategic International Equity Fund ARSN 133 308 219 Strategic Fixed Interest Fund ARSN 151 280 723 Strategic Cash Plus Fund ARSN 158 867 308 Strategic Sustainable Global Bond Fund ARSN 649 740 876 Strategic Infrastructure Fund ARSN 664 896 468
GST	Means applicable goods and services tax.
Identification Information	Means the information and documentation we are required to obtain from investors which relates to the identification and verification of their identity in accordance with the AML/CTF Act and Rules.
IISL	IOOF Investment Services Ltd ABN 80 007 350 405 AFSL 230703
Investor Service	Means an Investor Directed Portfolio Service (IDPS), IDPS-like scheme, master trust, wrap account, or a nominee or custody service.
PDS	Means the Product Disclosure Statement of the relevant Fund.
Professional Investor	Means a professional investor as defined in section 9 of the Corporations Act, and includes holders of Australian Financial Services Licences, bodies regulated by the Australian Prudential Regulatory Authority, various persons controlling more than $10 million in funds and listed companies.
Responsible Entity or RE	Means a Responsible Entity (RE) as defined in the Corporations Act. The RE for each Fund is IISL (referred to as 'we', 'us' and 'our').
Valuation Date	Means the date for which the issue price and withdrawal price of units in a Fund is determined. Unit prices are generally calculated daily.
We/us/our	Means IISL in its capacity as RE for the Funds.

Responsible Entity and Issuer

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