

12 September 2024

## Changes to the Loomis Sayles Global Equity Fund, ARSN 628 342 334

Dear unitholder

We are writing to advise you of changes to the Loomis Sayles Global Equity Fund ARSN 628 342 334 (the 'Fund'). The Key Changes apply to both the quoted and unquoted classes of units:

- Loomis Sayles Global Equity - APIR IML0341AU
- Loomis Sayles Global Equity (Quoted Managed Fund) - APIR IML3289AU

The Investment Manager of the Fund, Loomis Sayles & Company, L.P., regularly reviews its offering to ensure it continues to be fit for purpose and meets the evolving needs of clients. As part of this review, the Investment Manager will make the changes outlined below to optimise the Investment Manager's resources and capabilities (**Investment Strategy Changes**). The review has also provided an opportunity to reduce the management fee charged to ensure the Fund remains competitive in the Australian market (**Fee Reduction**). The Investment Strategy Changes and the Fee Reduction are collectively referred to as the **Key Changes** – the details of the Key Changes are as set out as below. Loomis Sayles will remain as the Investment Manager and Investors Mutual Limited will remain the responsible entity of the Fund following implementation of the Key Changes.

**Please note that you are not required to take any action in respect of the Key Changes.**

However, please carefully review the Key Changes as summarised in this notice, and the updated disclosure documentation, and consult with your adviser regarding the nature of the Key Changes.

New Product Disclosure Statements, Investment Guide and Target Market Determinations will be issued on 14 October 2024, being the effective date of the changes (**Effective Date**).

### Key Changes

- On and from the Effective Date, the Loomis Sayles Global Equity Fund will be managed by the Loomis Sayles Growth Equities Strategies team. The tenured team of dedicated research and investment professionals is led by Founder, CIO and Portfolio Manager Aziz Hamzaogullari.
- As a result of the changes to the investment team, there will be corresponding changes to the investment strategy of the Fund, including its investment philosophy and style. However, there will be no change to the benchmark, investment objective or the asset allocation for the Fund. The Fund will remain a global equities product.
- The Management fees and costs for the Fund will be reduced from 0.99% to 0.75% per annum of the net assets of the Fund (inclusive of the net effect of GST).

In addition, in accordance with recent updates to the AQUA Rules governing the quoted class of units in the Fund, the name of the quoted class will be changed to "Loomis Sayles Global Equity Fund - Active ETF". The APIR will remain unchanged.

**We have set out further details of the Key Changes in the Annexure.**

## Portfolio changes

Implementation of the Investment Strategy Changes will result in changes to the portfolio of assets held in the Fund, including the replacement of a significant portion of the existing securities held by the Fund. The Fund will begin to transition to the new investment strategy as soon as practical following the Effective Date. The transition is expected to be complete within 1 month. There will be transaction costs and other indirect costs incurred as a consequence of bringing the Fund's portfolio in line with the new investment strategy, however of these costs, any transaction costs will **not** be borne by unitholders. It is anticipated that the implementation of the Investment Strategy Changes is likely to generate a distribution of capital gains for the year ending 30 June 2025. We recommend unitholders seek their own professional tax advice.

## More information

Thank you for your continuing support of the Loomis Sayles Global Equity Fund. If you have any questions about these changes, please speak to your financial adviser, or contact Natixis Investment Managers directly by calling (02) 8224 2900 or emailing [nim-clientgroupsAUNZ-Wholesales@natixis.com](mailto:nim-clientgroupsAUNZ-Wholesales@natixis.com).

**Comparison of key current and new features for the Loomis Sayles Global Equity Fund**

	<b>CURRENT FEATURE</b>	<b>NEW FEATURE</b>
<b>Investment Manager</b>	Loomis, Sayles & Company, L.P.	No change.
<b>Responsible Entity</b>	Investors Mutual Limited	No change.
<b>Investment return objective / Investment objective</b>	To provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the Fund's benchmark over a full market cycle.	To provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the Fund's benchmark (MSCI All Country World Index) over a full market cycle.
<b>Investment style</b>	The Loomis Sayles Global Equity Fund employs an unconstrained, style-agnostic approach to finding opportunities, therefore avoiding sub-optimal constraints of style box characteristics. The Fund is a global 'best ideas' portfolio. At any given time, the Fund may have characteristics of a specific style however this is a result of where the Investment Manager is finding its best ideas based on its investment philosophy.	The Loomis Sayles Global Equity Fund employs an unconstrained approach to finding opportunities led by its global value chain analysis. This analysis helps the Investment Manager understand how an industry creates value and identify which companies capture that value. The Investment Manager believes the qualities that make a business great are universal in nature regardless of country of domicile or benchmark defined investment style. As a result of the Investment Manager's philosophy and rigorous investment process, the Fund is a selective, global, high conviction portfolio. The Fund focuses on stocks of large capitalisation companies, but may invest in companies across the capitalisation spectrum and normally invests across a wide range of sectors and industries. The Fund will invest primarily in equity securities, including common stocks and depositary receipts.
<b>Investment strategy / The Fund's investments</b>	The Fund invests primarily in common stocks of companies globally. The Fund invests in the securities of companies with three alpha drivers: quality, intrinsic value growth and valuation. The Fund focusses on approximately 35-65 securities which demonstrate these three alpha drivers. The Fund employs a style agnostic approach to finding opportunities, therefore avoiding sub-optimal constraints of style box characteristics. There are no geographic limits on the Fund's investments, and the Fund may invest in securities of companies located in developed or emerging markets. The Fund typically invests in the securities of larger capitalisation companies and does not invest in companies below \$2 billion USD capitalisation.	The Fund invests primarily in common stocks of companies globally. The Fund invests in the securities of companies with high-quality characteristics and durable growth that offer attractive valuations. The Fund seeks to add value through bottom-up selection in a low turnover focused portfolio of approximately 30-45 securities. The Investment Manager seeks to enhance risk management by diversifying the business drivers to which portfolio holdings are exposed. The Fund employs an unconstrained approach to finding opportunities led by its global value chain analysis. The Fund may invest in securities of companies located in developed or emerging markets. The Fund typically invests in the securities of larger capitalisation companies and does not invest in companies below \$500 million USD capitalisation. The Fund does not employ the use of derivatives.
<b>Investment Philosophy</b>	The Investment Manager currently believes investing in companies with their three alpha drivers of Quality, Intrinsic Value Growth and Valuation can help deliver long-term outperformance.	The Investment Manager is an active global equity manager with a long-term private equity approach to investing. Through its proprietary bottom-up research framework, the Investment Manager looks to invest in those few high-

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	Targeting these alpha drivers allows the Investment Manager to capture two market inefficiencies: mispricing, through the Valuation alpha driver, and a 'duration effect' through Quality and Intrinsic Value Growth alpha drivers. The Investment Manager defines the 'duration effect' as a high quality company's ability to add value over time through the compounding of its cash flows.	quality businesses with durable competitive advantages and profitable growth when they trade at a discount to the Investment Manager's estimate of intrinsic value. Over the long term, the Investment Manager believes that markets are efficient. Near term, however, innate behavioral biases, such as herding, overconfidence or loss aversion influence investment decisions and create asset mispricing. The Investment Manager believes investing in companies when its three key criteria of Quality, Growth and Valuation are present simultaneously can help deliver long-term outperformance. A long investment horizon affords the Investment Manager the opportunity to capture value from secular growth as well as capitalise on the stock market's shortsightedness through a process called time arbitrage.
<b>Benchmark</b>	MSCI All Country World Index	No change
<b>Asset Allocation &amp; Ranges</b>	Cash: 0-5% Global Equities: 95-100%	No change
<b>Minimum suggested investment timeframe</b>	An investment horizon of four to five years	An investment horizon of a minimum four to five years
<b>Risk Level</b>	This Fund is considered to be a high-risk investment. The Fund aims to outperform the MSCI All Country World Index over the longer term.	No change
<b>Risks</b>	<p>The Fund's investment strategy tends to be invested in a relatively small number of stocks, generally between 35 and 65 stocks. As a result, the appreciation or depreciation of any one security held by a client will have a greater impact on the value of a client's portfolio than it would if the client invested in a larger number of stocks. Thus, a concentrated investment strategy tends to be more susceptible to economic, political or regulatory events than a more diversified investment strategy. Although that strategy has the potential to generate attractive returns over time, it also increases the volatility of the client's portfolio.</p> <p>The remaining key risks of the Fund are as summarised in the PDS.</p>	<p>The Fund's investment strategy tends to be invested in a relatively small number of stocks, generally between 30 and 45 stocks. As a result, the appreciation or depreciation of any one security held by a client will have a greater impact on the value of a client's portfolio than it would if the client invested in a larger number of stocks. Thus, a concentrated investment strategy tends to be more susceptible to economic, political or regulatory events than a more diversified investment strategy. Although that strategy has the potential to generate attractive returns over time, it also increases the volatility of the client's portfolio.</p> <p>The other remaining key risks of the Fund are as set out in the updated PDS.</p>
<b>Distributions</b>	The Fund generally declares distributions on an annual basis as at the end of June each year.	No change
<b>Labour, Environmental,</b>	In selecting, realising or retaining investments for the Fund, Loomis	In selecting, realising or retaining investments for the Fund, the Investment Manager employs its longstanding proprietary bottom-up research

	<b>CURRENT FEATURE</b>	<b>NEW FEATURE</b>
<b>Social or Ethical Considerations</b>	Sayles takes into account a range of factors when assessing the company's quality characteristics, including the expected return and performance of the individual investments. In doing so Loomis Sayles may make an assessment based on environmental, social and ethical considerations although we do not apply any pre-determined ESG considerations to the Fund. Loomis Sayles is also a signatory of the UN Principles for Responsible Investment.	framework, which is the cornerstone of its decision-making process and drives security selection. In doing so the Investment Manager believes long-term structural, strategic and financially material ESG considerations are an integral part of an active, long-term, research-driven investment process. The Investment Manager may make an assessment based on environmental, social and ethical considerations although we do not apply any pre-determined ESG considerations to the Fund. Loomis Sayles is also a signatory of the UN Principles for Responsible Investment.
<b>Management fees and costs</b>	0.99% p.a. of the net assets of the Fund (inclusive of the net effect of GST)	0.75% p.a. of the net assets of the Fund (inclusive of the net effect of GST)