

15 September 2023

## Important upcoming changes to PIC Portfolios

This document provides updated information for the Product Disclosure Statements (PDSs) for each of the following managed investment schemes (the Trusts):

- PIC Wholesale Australian Share Fund  
APIR code MLC0768AU ARSN 087 447 078
- PIC Wholesale Diversified Debt Fund  
APIR code MLC0840AU ARSN 130 171 078
- PIC Wholesale Property Securities Fund  
APIR code MLC0783AU ARSN 087 447 425
- PIC Wholesale Global Property Fund  
APIR code MLC0788AU ARSN 124 947 164
- PIC Wholesale Global Share Fund  
APIR code MLC0771AU ARSN 087 446 875

As an investor, or potential investor in one or more of the Trusts, we want to let you know what the changes are and why we are making them. The fund profile information pages explain how these changes apply to each Trust.

This document should be read in conjunction with the PDSs for the Trusts available at [www.mlc.com.au/PIC/pds](http://www.mlc.com.au/PIC/pds). To the extent that the PDSs (including the Product Guide) address matters set out in this document, those sections of the PDSs should be read having regard to the content of this document.

Subject to final implementation review and approval, the changes will be effective from **30 November 2023** and an updated PDS for each Trust will be available from that date.

### Why we are making changes

IOOF and MLC are now part of one organisation—Insignia Financial<sup>1</sup>. The combination of our IOOF and MLC investment teams created an opportunity to align and improve investment strategies in continuing our pursuit of high performance for each Trust. As we align our investment divisions, philosophy, and processes, we are making some changes to the product, investment, and pricing strategies of the Trusts so we can bring you a more contemporary investment offering.

Our changes aim to improve the way the Trusts deliver to their investment objectives and investors' interests.

### What are the changes?

- **Investment objectives**

The current investment objective of the Trusts is to outperform the benchmark on a 'before fees' basis—we are changing the objective to instead be on an 'after fees' basis. We are making the change to reflect what we consider to be a better indicator of investment outperformance for actively managed portfolios.

For some Trusts, the change of objective to an 'after fees' basis has resulted in a change to its investment objective's timeframe.

There is no change to either the risk profile or the nature of the Trusts because of these updates.

- **Suggested minimum timeframe to invest**

Where a Trust disclosed a range of years as a suggested minimum timeframe for investment (for example, 3 to 5 years), we will remove the range and provide a more specific time period (for example, 3 years) that aligns with the Trust's investment objective.

There is no change to either the risk profile or the nature of the Trusts because of these updates.

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<sup>1</sup> In this communication, MLC refers to MLC Investments Limited (the responsible entity of the Trusts) together with the MLC Wealth business acquired by Insignia Financial Ltd from National Australia Bank Limited on 31 March 2021 (as relevant) and IOOF refers to Insignia Financial Ltd. References to "us" and "we" used throughout this letter, is a reference to MLC, as relevant.

- **Benchmarks**

New benchmarks are required to better reflect and support changes to the strategic asset allocation of some Trusts. The new benchmarks better align with widely adopted industry benchmarks.

These changes do not impact investors' investment holdings.

- **Changes to fees and costs – which will result in a variation in costs to investors**

To ensure the Trusts remain competitively priced, we are decreasing the management fee.

In reviewing the fee, we considered the other portfolio changes we are making (described above), the degree of active management each Trust requires and the nature of its underlying assets.

Please read the fund profile information pages to see how these changes apply to each Trust.

### Updated fees and costs information as part of our annual review

Separately to the proposed product changes described above, the fees and costs information in the PDSs for the Trusts has been updated to reflect the fees and costs information for the financial year to 30 June 2023. The updated fees and costs information can be found at [www.mlc.com.au/PIC/pds](http://www.mlc.com.au/PIC/pds) or you can request a copy free of charge by calling or emailing us.

For some Trusts, the updated information reflects an increase in the estimated indirect costs, performance fees and transaction costs incurred by the Trust(s), which will reduce the overall returns investors receive from the Trust(s).

It is important to note that the update to fees and costs information is not a result of any specific decision we made. Rather, it reflects actual costs incurred by the Trust(s) for the previous financial year (involving estimates where appropriate) and was determined as part of our standard annual review process.

The updated fees and costs are reflected in the fund profile information pages in the 'Before 30 November 2023' column. This is to enable you to compare the current fees and costs with the fees and costs once our proposed changes for the Trusts become effective.

### We are here to help

If you have any questions, please speak to your financial adviser or call our Client Services team on **1300 738 355** between 8.30am and 5.30pm AEST/AEDT Monday to Friday.

You can also email us at [client.services@mlcam.com.au](mailto:client.services@mlcam.com.au).

### Important information

This information is provided on behalf of MLC Investments Limited, ABN 30 002 641 661 AFSL 230705 (MLCI) as Responsible Entity of the relevant Trusts. MLCI is a company within the Insignia Financial group which consists of Insignia Financial Ltd (ABN 49 100 103 722) and its related bodies corporate (Insignia Financial Group). The information in this communication is general in nature and provided for information purpose only. It is not intended to provide you with any financial advice or influence your investment decisions. It does not take into account your objectives, financial situation or needs. Because of that, before acting on this information, you should consider its appropriateness, having regard to your objectives, financial situation and needs, plus consider the relevant Product Disclosure Statement (PDS) in deciding whether to acquire or continue to hold an interest in the relevant Trust. The PDS, together with the Target Market Determination for each Trust is available at [www.mlc.com.au](http://www.mlc.com.au) Any projection or other forward-looking statement (Projection) in this document is provided for information purposes only. No representation is made as to the accuracy of any such Projection or that it will be met. Actual events may vary materially. Opinions constitute our judgement at the time of issue and are subject to change. This information has been prepared based on information believed to be accurate as at 15 September 2023, however no guarantee of accuracy or reliability is given and to the extent permitted by law, no liability is accepted by MLCI or any other company within the Insignia Financial Group for any loss or damage incurred as a result of reliance on the information. Past performance is not a reliable indicator of future performance.

PIC Wholesale Australian Share Fund (APIR code MLC0768AU ARSN 087 447 078)

	Before 30 November 2023	From 30 November 2023 <sup>1</sup>				
<b>Fund name</b>	PIC Wholesale Australian Share Fund	No change				
<b>Investment objective</b>	Aims to outperform the Benchmark (before fees) over 5 year periods.	Aims to outperform the Benchmark ( <b>after</b> fees) over 7 year periods.				
<b>Minimum suggested investment timeframe</b>	7 years	No change				
<b>Risk measure</b>	Estimate of 6 negative annual returns in any 20 year period.	No change				
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed Australian share portfolio that's diversified across investment managers, industries and companies</li> <li>• you want long-term growth in the value of your investment and some income, and</li> <li>• you understand that there can be very large fluctuations in income and the value of your investment.</li> </ul>	No change				
<b>Benchmark</b>	S&P/ASX 200 Total Return Index	<b>S&amp;P/ASX 300 Total Return Index</b>				
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment	Estimated to be 0.78% pa of the Trust's net asset value, comprised of: 1 A management fee of 0.78% pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value	Estimated to be <b>0.73%</b> pa of the Trust's net asset value, comprised of: 1 A management fee of <b>0.73%</b> pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value ( <b>no change</b> )				
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Nil	No change				
<b>Transaction costs<sup>3</sup></b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.06% pa of the Trust's net asset value.	No change				
<b>Buy-sell spread<sup>5</sup></b>	Estimated to be 0.15% of the application amount on investments made in the Trust and 0.15% of the withdrawal amount on withdrawal from the Trust	No change as a result of the implementation of changes outlined in this document, however may be subject to change as part of standard buy-sell spread reviews.				
<b>Strategic asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic Asset Allocation</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>100%</td> </tr> </tbody> </table>	Asset class	Strategic Asset Allocation	Australian shares	100%	No change
Asset class	Strategic Asset Allocation					
Australian shares	100%					

PIC Wholesale Diversified Debt Fund (APIR Code MLC0840AU ARSN 130 171 078)

	Before 30 November 2023	From 30 November 2023 <sup>1</sup>						
<b>Fund name</b>	PIC Wholesale Diversified Debt Fund	No change						
<b>Investment objective</b>	Aims to outperform the Benchmark (before fees) over 3 year periods.	Aims to outperform the Benchmark ( <b>after fees</b> ) over 3 year periods.						
<b>Minimum suggested investment timeframe</b>	3 to 5 years	<b>3</b> years						
<b>Risk measure</b>	Estimate of 2 to 3 negative annual returns in any 20 year period.	No change						
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>you want to invest in a defensive portfolio that's actively managed and diversified across investment managers, types of fixed income, countries, and securities.</li> </ul>	No change						
<b>Benchmark</b>	50% Bloomberg AusBond Composite 0+ Yr Index and 50% Bloomberg Barclays Global Aggregate Total Return Index (hedged into Australian dollars)	No change						
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment	Estimated to be 0.60% pa of the Trust's net asset value, comprised of: 1 A management fee of 0.60% pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value	Estimated to be <b>0.50%</b> pa of the Trust's net asset value, comprised of: 1 A management fee of <b>0.50%</b> pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value ( <b>no change</b> )						
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Nil	No change						
<b>Transaction costs<sup>3</sup></b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.00% pa of the Trust's net asset value.	No change						
<b>Buy-sell spread<sup>5</sup></b>	Estimated to be 0.10% of the application amount on investments made in the Trust and 0.10% of the withdrawal amount on withdrawal from the Trust.	No change as a result of the implementation of changes outlined in this document, however may be subject to change as part of standard buy-sell spread reviews.						
<b>Strategic asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic Asset Allocation</th> </tr> </thead> <tbody> <tr> <td>Australian fixed income</td> <td>50%</td> </tr> <tr> <td>Global fixed income</td> <td>50%</td> </tr> </tbody> </table>	Asset class	Strategic Asset Allocation	Australian fixed income	50%	Global fixed income	50%	No change
Asset class	Strategic Asset Allocation							
Australian fixed income	50%							
Global fixed income	50%							

PIC Wholesale Property Securities Fund (APIR code MLC0783AU ARSN 087 447 425)

	Before 30 November 2023	From 30 November 2023 <sup>1</sup>						
<b>Fund name</b>	PIC Wholesale Property Securities Fund	No change						
<b>Investment objective</b>	Aims to outperform the Benchmark (before fees) over 5 year periods.	Aims to outperform the Benchmark ( <b>after</b> fees) over 7 year periods.						
<b>Minimum suggested investment timeframe</b>	7 years	No change						
<b>Risk measure</b>	Estimate of 6 negative annual returns in any 20 year period.	No change						
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed listed property securities portfolio</li> <li>• you want diversification across listed property sectors and securities in Australia, and some global exposure</li> <li>• you want income and long-term growth in the value of your investment, and</li> <li>• you understand that there can be fluctuations in income and the value of your investment.</li> </ul>	No change						
<b>Benchmark</b>	S&P/ASX 300 A-REIT Total Return Index	No change						
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment	Estimated to be 0.68% pa of the Trust's net asset value, comprised of: 1 A management fee of 0.68% pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value	Estimated to be <b>0.62%</b> pa of the Trust's net asset value, comprised of: 1 A management fee of <b>0.62% pa</b> of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value ( <b>no change</b> )						
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Nil	No change						
<b>Transaction costs<sup>3</sup></b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.00% pa of the Trust's net asset value.	No change						
<b>Buy-sell spread<sup>5</sup></b>	Estimated to be 0.30% of the application amount on investments made in the Trust and 0.30% of the withdrawal amount on withdrawal from the Trust.	No change as a result of the implementation of changes outlined in this document, however may be subject to change as part of standard buy-sell spread reviews.						
<b>Strategic asset allocation ranges</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic Asset Allocation Ranges</th> </tr> </thead> <tbody> <tr> <td>Australian listed property securities</td> <td>85 – 100%</td> </tr> <tr> <td>Global listed property securities</td> <td>0 – 15%</td> </tr> </tbody> </table>	Asset class	Strategic Asset Allocation Ranges	Australian listed property securities	85 – 100%	Global listed property securities	0 – 15%	No change
Asset class	Strategic Asset Allocation Ranges							
Australian listed property securities	85 – 100%							
Global listed property securities	0 – 15%							

**PIC Wholesale Global Share Fund (APIR code MLC0771AU ARSN 087 446 875)**

	<b>Before 30 November 2023</b>	<b>From 30 November 2023<sup>1</sup></b>				
<b>Fund name</b>	PIC Wholesale Global Share Fund	No change				
<b>Investment objective</b>	Aims to outperform the Benchmark (before fees) over 5 year periods.	Aims to outperform the Benchmark ( <b>after</b> fees) over 7 year periods.				
<b>Minimum suggested investment timeframe</b>	7 years	No change				
<b>Risk measure</b>	Estimate of 6 negative annual returns in any 20 year period.	No change				
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed global share portfolio that's diversified across investment managers, countries (developed and emerging), industries and companies</li> <li>• you want long-term growth in the value of your investment</li> <li>• you understand that there can be very large fluctuations in income and the value of your investment, and</li> <li>• you're comfortable having foreign currency exposure.</li> </ul>	No change				
<b>Benchmark</b>	MSCI All Country World Net Index (\$A)	<b>MSCI All Country World Ex-Australia Index with Special Tax (unhedged in AUD)</b>				
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment	Estimated to be 0.90% pa of the Trust's net asset value, comprised of: 1 A management fee of 0.90% pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value	Estimated to be <b>0.85%</b> pa of the Trust's net asset value, comprised of: 1 A management fee of <b>0.85% pa</b> of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value ( <b>no change</b> )				
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Nil	No change				
<b>Transaction costs<sup>3</sup></b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.05% pa of the Trust's net asset value.	No change				
<b>Buy-sell spread<sup>5</sup></b>	Estimated to be 0.15% of the application amount on investments made in the Trust and 0.10% of the withdrawal amount on withdrawal from the Trust.	No change as a result of the implementation of changes outlined in this document, however may be subject to change as part of standard buy-sell spread reviews.				
<b>Strategic asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic Asset Allocation</th> </tr> </thead> <tbody> <tr> <td>Global shares</td> <td>100%</td> </tr> </tbody> </table>	Asset class	Strategic Asset Allocation	Global shares	100%	No change
Asset class	Strategic Asset Allocation					
Global shares	100%					

**PIC Wholesale Global Property Fund (APIR Code MLC0788AU ARSN 124 947 164)**

	<b>Before 30 November 2023</b>	<b>From 30 November 2023<sup>1</sup></b>				
<b>Fund name</b>	PIC Wholesale Global Property Fund	No change				
<b>Investment objective</b>	Aims to outperform the Benchmark (before fees) over 5 year periods.	Aims to outperform the Benchmark ( <b>after fees</b> ) over <b>7 year</b> periods.				
<b>Minimum suggested investment timeframe</b>	7 years	No change				
<b>Risk measure</b>	Estimate of 6 negative annual returns in any 20 year period.	No change				
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed global listed property securities portfolio that's diversified across investment managers, countries, listed property sectors and securities</li> <li>• you want long-term growth in the value of your investment and some income</li> <li>• you understand that there can be fluctuations in income and the value of your investment, and</li> <li>• you want foreign currency exposures to be mostly hedged to the Australian dollar.</li> </ul>	No change				
<b>Benchmark</b>	FTSE EPRA Nareit Developed Index (net dividends reinvested, hedged into Australian dollars)	<b>FTSE EPRA NAREIT Developed ex Aus Rental 100% Hedged to AUD Net Tax (Super) Index</b>				
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment	Estimated to be 0.89% pa of the Trust's net asset value, comprised of: 1 A management fee of 0.89% pa of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value	Estimated to be <b>0.87%</b> pa of the Trust's net asset value, comprised of: 1 A management fee of <b>0.87% pa</b> of the Trust's net asset value 2 Estimated indirect costs <sup>3</sup> of 0.00% pa of the Trust's net asset value ( <b>no change</b> )				
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Nil	No change				
<b>Transaction costs<sup>3</sup></b> The costs incurred by the scheme when buying or selling assets	Estimated to be 0.06% pa of the Trust's net asset value.	No change				
<b>Buy-sell spread<sup>5</sup></b>	Estimated to be 0.15% of the application amount on investments made in the Trust and 0.15% of the withdrawal amount on withdrawal from the Trust.	No change as a result of the implementation of changes outlined in this document, however may be subject to change as part of standard buy-sell spread reviews.				
<b>Strategic asset allocation</b>	<table border="1"> <thead> <tr> <th><b>Asset class</b></th> <th><b>Strategic Asset Allocation</b></th> </tr> </thead> <tbody> <tr> <td>Global listed property securities</td> <td>100%</td> </tr> </tbody> </table>	<b>Asset class</b>	<b>Strategic Asset Allocation</b>	Global listed property securities	100%	No change
<b>Asset class</b>	<b>Strategic Asset Allocation</b>					
Global listed property securities	100%					

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<sup>1</sup> The implementation of the changes to the Trust contained in this document is subject to final implementation approval. Unless otherwise stated above, all other information in the Product Disclosure Statements (PDSs) and respective information incorporated by reference remains unchanged.

<sup>2</sup> The management fees and costs, indirect cost, performance fees and transaction costs amounts disclosed in the 'Before 30 November 2023' column reflect the fees and costs included in an update to the Trust's PDS available on [www.mlcam.com.au/PIC/pds](http://www.mlcam.com.au/PIC/pds). Where applicable, all fees are shown inclusive of GST and net of Reduced Input Tax Credits.

<sup>3</sup> Indirect costs and transaction cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve the Responsible Entity's estimates where information was unavailable at the date this document was issued and are included in the 'Before 30 November 2023' column.

<sup>4</sup> Estimated performance fees are calculated by reference to the average of the last five years' experience to 30 June 2023 where available or for new arrangements, the Responsible Entity's reasonable estimate for the current financial year has been used, adjusted to reflect a 12 month period and are included in the 'Before 30 November 2023' column.

<sup>5</sup> While buy-sell spreads are not expected to change because of the implementation of the changes to the Trusts contained in this document, they may change from time to time in response to the estimated transaction costs incurred as a result of investor applications and redemptions. The latest buy-sell spreads can be found on our website at [www.mlcam.com.au](http://www.mlcam.com.au).