

PDS UPDATE – ONEPATH ALTERNATIVES GROWTH FUND PORTOLIO IMPROVEMENTS

PDS Update | 20 July 2021

This Product Disclosure Statement (PDS) Update amends the OnePath Alternatives Growth Fund PDS dated 1 December 2020.

WHAT ARE THE CHANGES?

Starting on, or around, 19 July 2021, the following underlying funds/strategies are added as new investments for the OnePath Alternatives Growth Fund (the Fund) (ARSN 121 982 796):

- the Janus Henderson Global Multi-Strategy Fund (GMSF) (ARSN 640 241 943), issued by Janus Henderson Investors (Australia) Funds Management Limited (ABN 43 164 177 244, AFSL 444268), and
- the Metrics Wholesale Investment Trust (MWIT) (ARSN 163 161 591), issued by Metrics Credit Partners Pty Ltd (ABN 27 150 646 996, AFSL 416146).

As part of these changes, the underlying fund, Bentham Syndicated Loan Fund is being removed but it will remain an approved underlying investment for the Fund.

Refer to the next page for more information about GMSF and MWIT.

For more information about the issuers of GMSF and MWIT, refer to their websites at: janushenderson.com/en-au/investor/about-us/ and metrics.com.au/about-us/

WHY IS THE PDS BEING AMENDED

The changes will mean that the underlying assets of the OnePath Alternatives Growth Fund will be held across GMST, MWIT, GMO Systematic Global Macro Trust, Fulcrum Diversified Absolute Return Fund and Man AHL Alpha (AUD) Fund. These changes are updated on pages 2 and 7 of the PDS.

You should note that greater PDS disclosure requirements apply to hedge funds for the purposes of the Australian Securities and Investments Commission (ASIC) Regulatory Guide 240. GMSF is regarded as a hedge fund and MWIT is not. Information about GMST as a hedge fund which is a 'significant underlying fund', will be added as per RG 240 to the 'Hedge Fund Disclosures' section of the PDS and updated on pages 2 and 7 of the PDS.

As the target asset allocation weights for GMO and Fulcrum are being reduced from 30% to 20%, they will no longer be regarded as hedge funds which are 'significant underlying funds' for the purposes of RG 240. This will mean the 'Hedge Fund Disclosures' section of the PDS for these underlying funds will updated for the reduced disclosure requirements.

OVERVIEW OF THE UNDERLYING FUNDS/STRATEGIES

Janus Henderson Global Multi-Strategy Fund (GMSF)

The GMSF is managed by Henderson Global Investors Limited and adopts a multi-strategy approach across the following strategies: Convertible Arbitrage, Event Driven, Price Pressure, Risk Transfer, Equity Market Neutral and Portfolio Protection with a range of sub-strategies.

GMSF aims to outperform the Bloomberg AusBond Bank Bill Index by 7% p.a. (before fees) over rolling three-year periods. Volatility (standard deviation) is expected to range between 4-8% p.a. over rolling three-to-five years although is not targeted.

The portfolio is built to provide daily liquidity and invests across a range of strategies and instruments to achieve its investment objective.

Performance of the strategy has been strong and has been delivered with low correlation to equities and bond markets, especially during time of market stress. The underlying strategies have low to negative correlation providing diversification benefit and lowering the strategy's absolute volatility.

The strategy compliments the Fund's portfolio as the underlying strategies are currently not covered by incumbent managers.

More information about GMST which is a hedge fund, can be found in its PDS at:

cdn.janushenderson.com/webdocs/Janus+Henderson+Global+Multi-Strategy+Fund_Retail+Share+Class_PDS_01+March+2021.pdf

Metrics Wholesale Investment Trust (MWIT)

MWIT offers investors exposure to Australia's bank dominated corporate loan market by investing in loans to public companies, private companies, infrastructure, project finance, private equity sponsored, real estate, and structured finance borrowers, either directly or via investment in other wholesale funds managed by its investment manager Metrics Capital.

The aim of the Trust is to provide investors:

- direct exposure to a well-diversified portfolio of predominantly Australian corporate loans
- access to the management skill and market experience of Metrics Capital thereby ensuring investors benefit from a strong, pro-active risk management with a focus on capital preservation
- an opportunity to generate strong risk-adjusted positive returns as a result of the active management and direct asset origination capability of Metrics capital, and
- access to the returns (base interest rate, credit margin and lending fees) available from direct lending to corporate borrowers; and access to underlying floating rate debt instruments generating attractive returns.

The founding investment team members managing MWIT are also highly experienced, with an average of 30 years experience.

WHO ARE THE INVESTMENT MANAGERS?

Henderson Global Investors Limited

Janus Henderson Investors (Australia) Funds Management Limited is the responsible entity of GMSF and a subsidiary of the global asset management group Janus Henderson Group plc ('Janus Henderson'). Janus Henderson Australia has appointed Henderson Global Investors Limited as the investment manager of GMSF. At the end of March 2021, Janus Henderson managed around US\$405 billion with more than 2000 employees

including around 350 investment professionals. Alternative investments represented around \$10 billion of assets under management.

Metrics Credit Partners Pty Ltd

The Trust Company Limited is the trustee of MWIT and is a 100% owned subsidiary of Perpetual Limited (ASX:PPT), and has appointed Metrics Credit Partners Pty Ltd ('Metrics') to be the investment manager of MWIT. Metrics is a wholly owned subsidiary of Metrics Credit Holdings Pty Ltd which in turn is 65% owned by the Investment Team and 35% owned by Pinnacle Investment Management Limited. Pinnacle is a subsidiary of ASX listed Pinnacle Investment Management Group Limited (ASX: PNI). Metrics is the largest non-bank lender in Australia, with over \$6 billion in funds under management.

ANY QUESTIONS?

If you have any questions or require further information, please:

- speak with your financial adviser
- email wholesale.unittrust@onepath.com.au
- call Customer Services on **1800 31 810**, weekdays between 9am and 5pm (AEST).

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