

ADDITIONAL INFORMATION BOOKLET

– Managed Investment Schemes

ISSUE NUMBER 22 - 19 APRIL 2024

FOR INFORMATION ABOUT THE FUNDS:

**ClearBridge Investments Limited
(ClearBridge)**

Investment Manager

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www.clearbridgeinvestments.com.au

FOR APPLICATION AND REDEMPTION REQUESTS:

**Link Market Services Limited
(Link)**

Transfer Agency and Registry Services

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Parramatta NSW 2124

Attention: MFO Registry Operations

ABN 54 083 214 537

F +61 2 9287 0332

E clearbridge@linkmarketservices.com.au

TO CONTACT THE ISSUER:

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(Franklin Templeton)**

Responsible Entity

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E auclientadmin@franklintempleton.com

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FOR SERVICE OF DOCUMENTS IN NEW ZEALAND:

As at the date of this Additional Information Booklet, the address for service of documents in New Zealand is:

ClearBridge Investments Limited
c/o Bell Gully

Vero Centre

48 Shortland Street,

Auckland 1010, New Zealand

P +64 9 916 8800

E info@bellgully.com

www.bellgully.com

With effect from on or about 30 April 2024, the address for service of documents in New Zealand is:

ClearBridge Investments Limited
c/o Bell Gully

Deloitte Centre

Level 5, 1 Queen Street,

Auckland 1010, New Zealand

P +64 9 916 8800

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www.bellgully.com

The content in this Additional Information Booklet (AIB) provides further information for each Product Disclosure Statement (PDS) (collectively the unlisted registered Managed Investment Schemes listed on the following page). The schemes are collectively referred to as the Funds.

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ABOUT THIS ADDITIONAL INFORMATION BOOKLET

Please note: This should be read in conjunction with Section 1 of the Fund PDS

We refer to each PDS as a **Disclosure Document**. Unless otherwise specified, definitions contained in each Disclosure Document will have the same meaning in this AIB.

We suggest that you keep a copy of the relevant Disclosure Document and any additional information for future reference.

You should read this information together with the relevant Disclosure Documents and consider the appropriateness of this information for your financial situation before making a decision to invest in the Funds. The information in this AIB is only of a general nature and does not constitute investment advice. It does not take into account any person's financial situation or needs. You should consult a licensed financial adviser or other professional investment, legal or tax specialist to obtain advice that is tailored to suit your circumstances.

Investments in a Fund can only be made by persons receiving the Fund's Disclosure Document (including an electronic version) in Australia and, for certain Funds, New Zealand (see individual Disclosure Documents for further details). Other than as described, the Disclosure Documents and this AIB do not constitute an offer or invitation in any place outside Australia where, or to any person to whom it would be unlawful to make such an offer or invitation. The distribution of the Disclosure Documents (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law. Persons who come into possession of the Disclosure Documents and this AIB outside Australia should seek advice and observe any relevant restrictions. Any failure to comply with such restrictions may constitute a violation of applicable law.

You can access the relevant Disclosure Document and this AIB directly on the ClearBridge website (www.clearbridgeinvestments.com.au), and the Franklin Templeton website (www.franklintempleton.com.au). You may also request a free copy by contacting the ClearBridge Client Service Team via phone or email, as applicable.

Franklin Templeton is the Responsible Entity. References in this AIB to "we", "us" and "our" refer to Franklin Templeton.

All parties referred to in this AIB have given, and, as at the date of this AIB, not withdrawn, their consent to being named and for information relating to them being stated in this AIB in the form and context as presented herein.

| Funds covered by this AIB | ARSN | APIR | PDS Date |
|--|-------------|-----------|---------------|
| ClearBridge RARE Infrastructure Value Fund - Hedged Class A Units | 121 027 709 | TGP0008AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Value Fund - Hedged Class C Units | 121 027 709 | SSB6153AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Value Fund - Unhedged Class A Units | 150 677 017 | TGP0034AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Value Fund - Unhedged Class C Units | 150 677 017 | SSB7902AU | 22 May 2023 |
| ClearBridge RARE Emerging Markets Fund | 132 182 462 | TGP0015AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class A Units | 132 182 631 | TGP0016AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class B Units | 132 182 631 | SSB4647AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class C Units | 132 182 631 | SSB9640AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Income Fund - Unhedged Class A Units | 647 332 321 | SSB6649AU | 22 May 2023 |
| ClearBridge RARE Infrastructure Income Fund - Unhedged Class C Units | 647 332 321 | SSB6429AU | 22 May 2023 |
| ClearBridge Global Growth Fund - Class A Units | 671 563 607 | SSB3170AU | 19 April 2024 |
| ClearBridge Global Growth Fund - Class C Units | 671 563 607 | SSB2460AU | 19 April 2024 |
| ClearBridge Global Value Improvers Fund - Class A Units | 673 274 201 | SSB5588AU | 19 April 2024 |
| ClearBridge Global Value Improvers Fund - Class C Units | 673 274 201 | SSB7802AU | 19 April 2024 |

HOW THE FUNDS WORK

Please note: This should be read in conjunction with Section 2 of the Fund PDS

CLASSES OF UNITS

The Disclosure Documents set out the different classes of units offered in each Fund. We may offer or withdraw classes of units. Eligible investors should nominate which class of unit they are applying for. Where more than one class is being offered, in the absence of a nomination, new investors will be issued with Class A Units. The rights of a unitholder differ depending upon the class of units that they hold. Please refer to the Disclosure Documents for details.

APPLICATIONS AND REDEMPTIONS FOR UNITS

Applications and redemptions received by 4:00pm on a Business Day (a day that is not a Saturday, a Sunday, a public holiday or bank holiday in New South Wales) will receive that day's Application Price and Redemption Price. Applications will be invested, subject to all client identification procedures that we deem necessary to satisfy our obligations under the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act 2006 being completed, on that day.

Should application monies not be received prior to the settlement of the application, the Fund may be temporarily overdrawn. If units are issued for which payment has not been received, the applicant's units will become void to remedy any unfunded liabilities to the Fund.

LARGE REDEMPTION REQUESTS

Subject to the Responsible Entity's discretion, redemption requests of more than 20% (or 5% for ClearBridge RARE Infrastructure Income Fund - Unhedged Class A and Class C Units, ClearBridge Global Growth Fund - Class A and C Units, and ClearBridge Global Value Improvers Fund - Class A and C Units) of the units on issue in a class, may be treated as 5 separate requests with 20% of the original request being received over five successive Business Days.

Other arrangements may be entered into in regard to the timing of the payment of redemption proceeds in consultation with the unitholder.

For further details on the processing and treatment of redemption requests please contact the Responsible Entity or refer to the Fund's Constitution, a copy of which is available free of charge by contacting ClearBridge or the Responsible Entity.

APPLICATION AND REDEMPTION PRICES

Unit prices are usually calculated each Business Day. We may declare unit prices more or less frequently or delay calculation in certain circumstances. Unit pricing on applications and redemptions is carried out in accordance with each Fund Constitution and a formal written policy (Unit Pricing Policy).

The Unit Pricing Policy has been established by us in relation to the guidelines and any relevant factors that are taken into account when exercising any discretion in calculating unit prices (including determining the value of assets and the amount of liabilities). A copy of our policy is available free of charge to investors.

GETTING THE LATEST FUND INFORMATION

If you are interested in a Fund's:

- Latest performance
- Current size
- Fee information

then you may obtain further information by visiting ClearBridge's website directly www.clearbridgeinvestments.com.au in the case of all Class A Units. For all other classes of units you may contact the ClearBridge Client Service Team using the details located on page 1 of this AIB. Printed copies of regular Fund reports are available from ClearBridge, free of charge on request.

Past performance is not a reliable indicator of future returns. Returns can be volatile, particularly over short periods, reflecting rises and falls in the value of the underlying investments. You should consult a licensed financial adviser or other professional investment, legal or tax specialist to obtain financial advice that is tailored to suit your circumstances.

FURTHER INFORMATION ABOUT INVESTING IN THE FUNDS

The Application Form, Additional Investment Form, Redemption Form, Switch Form and Change of Details Form are available on the ClearBridge website or by contacting the ClearBridge Client Service Team by either phone or email. To acquire or dispose of units through mFund, orders should be placed with your licensed broker.

| Funds | Investment Minimums in AUD | | mFund – Y/N | New Zealand Offering |
|--|-------------------------------|-------------------------------|-------------|----------------------|
| ClearBridge RARE Infrastructure Value Fund - Hedged Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | Y - RAI01 | Y |
| ClearBridge RARE Infrastructure Value Fund - Hedged Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |
| ClearBridge RARE Infrastructure Value Fund - Unhedged Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | Y - RAI02 | Y |
| ClearBridge RARE Infrastructure Value Fund - Unhedged Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |
| ClearBridge RARE Emerging Markets Fund | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | Y - RAI04 | Y |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | Y - RAI03 | Y |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class B Units | A \$5,000,000 C \$100,000 | B \$100,000 D \$5,000,000 | N | N |
| ClearBridge RARE Infrastructure Income Fund - Hedged Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |
| ClearBridge RARE Infrastructure Income Fund - Unhedged Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | Y - RAI05 | N |
| ClearBridge RARE Infrastructure Income Fund - Unhedged Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |
| ClearBridge Global Growth Fund - Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | N | N |
| ClearBridge Global Growth Fund - Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |
| ClearBridge Global Value Improvers Fund - Class A Units | A \$20,000 C \$5,000 | B \$5,000 D \$20,000 | N | N |
| ClearBridge Global Value Improvers Fund - Class C Units | A \$10,000,000 C \$100,000 | B \$100,000 D \$10,000,000 | N | N |

Legend

A Initial Minimum Investment **B** Minimum Redemption **C** Additional Minimum Investment **D** Minimum Holding

APPLICATIONS FOR INVESTMENT VIA MFUND

You must use an mFund accredited and licensed broker to facilitate your transactions on mFund. Your chosen broker may charge you additional fees (such as brokerage costs) which are not outlined in the "Fees and other costs" section of each applicable Disclosure Document. You should consider the broker's Financial Services Guide to obtain detailed information about these fees and costs.

For investment via the mFund Settlement Service, information about the Funds' NAV, redemptions, distributions or any other information relevant to investors is available at

www.asx.com.au/mfund.

ADDITIONAL INVESTMENTS

You can invest additional amounts by:

a) depositing money directly into the ClearBridge applications account (EFT) and on the same day sending a completed Additional Investment Form by facsimile to Link on +61 2 9287 0332 or by email to clearbridge@linkmarketservices.com.au by 4:00pm; or

b) sending a cheque together with a completed Additional Investment Form to:

Link Market Services Limited
Locked Bag 5038
Parramatta NSW 2124
Attention: MFO Registry Operations

RECONCILING INSTRUCTIONS

Link review the application monies deposited into the ClearBridge applications account during each Business Day.

Link prepare a reconciliation of any outstanding items which include Application Forms received with no corresponding application monies received and application monies received with no corresponding Application Form.

ClearBridge aims to contact investors within 7 Business Days for outstanding items identified as part of this reconciliation.

Please consider any updated information before you invest.

INVESTING USING A MARGIN LOAN

When you invest using a margin loan, you do not acquire the rights of a unitholder in the Fund. The margin lender is the registered holder and your contract with them will stipulate your rights and entitlements. All correspondence and dealings regarding your investment will be through the margin lender and you will need to contact them if you wish to make a transaction or change to the account. We do not accept responsibility for any aspect of a margin lender product or its administration.

WITHDRAWING YOUR INVESTMENT

You can withdraw your investment by sending Link a completed Redemption Form by 4:00pm.

If an investor's unit holding falls below the minimum unit holding value (see above table), we may redeem the remaining holding in full after giving the investor 30 days' notice in writing of our intention to do so. However, we reserve the right to vary the minimum withdrawal and minimum unit holding at our absolute discretion.

We may also compulsorily redeem an investor's units in the following circumstances:

- If the investor has breached its obligations to us
- To satisfy any amount due to us by the investor or to an authorised third party (for example to the tax office)
- Where we suspect that the law prohibits the investor from being an investor in the Fund.

SWITCHING

Investors can request to switch all or part of their investment between Funds. A switch is processed as a withdrawal of units from the existing Fund and an application of units in the new Fund. Switches into a Fund that you do not currently have an investment in, will attract the minimum initial investment amount.

Switches between a Fund that you currently have an investment in will attract the minimum additional investment amount. The switch cannot result in your investment falling below the minimum unit holding value of a Fund.

Generally, a completed and signed Switch Form must be received by 4:00pm on a Business Day to be processed with the Application Price and Redemption Price calculated for that Business Day. The form must be correctly completed. The Fund buy/sell spreads will apply to the switch.

If you wish to switch into a Fund that you do not currently have an investment in, you will need to obtain and read the current Disclosure Document for that Fund, before completing the Switch Form.

We recommend that you assess any tax implications of a switch transaction with your tax adviser before submitting your switch request.

CHANGE OF DETAILS

Should an investor wish to effect a change of details, such as change of address, contact details, distribution election, bank account, financial adviser or other administrative arrangements, they can complete a Change of Details Form and send directly to Link.

TRANSFERS

Unitholders can request a transfer to another person of some or all of their units at any time. In order to process a transfer, a properly completed and signed Australian Standard Transfer Form must be received by Link. If the transferee does not hold a current investment holding in the Fund, the transferee must obtain and read the current Disclosure Document for that Fund.

Franklin Templeton, at its absolute discretion, may refuse to register any transfer of units including, without limitation, if the transferee does not meet the Fund's eligibility criteria or does not satisfy Franklin Templeton's AML/CTF or personal identification enquiries.

Once accepted, the transfer will be processed at mid-price, meaning that no buy/sell spread is applied.

Unitholders considering transferring units to another person should contact the ClearBridge Client Service Team for more details. We recommend that you assess any tax implications of a transfer request with a professional tax adviser before submitting your transfer request.

INVESTING VIA A MASTER FUND OR WRAP SERVICE

Investors accessing the Funds indirectly through a Master Trust or Wrap Service do not acquire the rights of a unitholder. Rather, the operator acquires the Units and the rights of a unitholder, meaning that the right to receive distributions, confirmations, reports, attend meetings and make complaints. The rights of Master Trust or Wrap Service investors, including the taxation implications of investing, should be set out in disclosure documents issued by the Master Trust or Wrap Service operator.

DISTRIBUTIONS

HOW DISTRIBUTIONS ARE PAID TO YOU

You may elect to have your distributions from a Fund:

- Reinvested in further units in that Fund; or
- Paid to you by direct credit to your nominated bank account.

If you do not make an election on the Application Form as to how you would like to deal with your distributions, you will be deemed to have made an election to have all distributions reinvested in further units in the relevant Fund. Any change to distribution instructions should be advised to Link at least 10 Business Days before the end of the relevant distribution period.

Units issued for reinvested distributions will be priced using the next applicable unit price calculated after the end of the relevant distribution period.

You are entitled to receive distributions in some additional circumstances (such as if a Fund is terminated). If we decide to terminate a Fund, investors will participate in the distribution of any surplus after the satisfaction of the liability of that Fund.

You should also read the “Important tax information” section below.

CUSTODY, ADMINISTRATION AND REGISTRY

We have appointed JPMorgan Chase Bank, N.A. (Sydney branch) (ABN 43 074 112 011) (**JPMorgan**) to provide custody and administration services. We have appointed Link to provide transfer agency and registry services. JPMorgan and Link have each provided their consent to be named and have not withdrawn their consent before the issue date of the AIB. Neither JPMorgan nor Link have been involved in the preparation, or caused or otherwise authorised the issue of this AIB or any PDS to which it relates.

Neither Link nor JPMorgan oversee Franklin Templeton’s management of the Funds and are not responsible for protecting the rights and interests of unitholders. Franklin Templeton can terminate either JPMorgan or Link’s respective appointments, in the circumstances specified under relevant agreements governing these relationships.

DECEASED ESTATES

For information on the documentation required in relation to a deceased estate, please contact the ClearBridge Client Service Team at auclientservice@clearbridge.com.

RISKS OF MANAGED INVESTMENT SCHEMES

Please note: This should be read in conjunction with Section 4 of the Fund PDS

| Risk | Risk Description |
|---------------------|--|
| Counterparty Risk | Counterparty risk is the risk to each party of a contract that the counterparty will fail to perform its contractual obligations and/or to respect its commitments under the term of such contract, whether due to insolvency, bankruptcy or other cause. When a counterparty risk arises from the use of derivatives, the value of derivative and consequently the value of the Fund may be adversely affected. |
| Currency Risk | Movements in exchange rates may cause rises or falls in the value of a Fund’s units and any assets held by the Fund which are denominated in a different currency to that of the base currency of a Fund. The value of these investments may decrease if the currency in which they are traded falls relative to a Fund’s base currency. As a result, currency fluctuations may indirectly affect the value of a Fund’s investment and, in turn, may also adversely affect the value of units held by a unitholder. |
| Cyber Security Risk | <p>With the increased use of technologies such as the internet and other electronic media and technology to conduct business, the Responsible Entity, the Fund, as well as the Responsible Entity’s service providers and their respective operations can be susceptible to operational, information security and related risks including cyber security attacks or incidents.</p> <p>In general, cyber incidents can result from deliberate attacks or unintentional events, and include unauthorised access to digital systems, networks or devices (e.g., through “hacking” or malicious software</p> |

| Risk | Risk Description |
|---|--|
| Cyber Security Risk (continued) | <p>coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). In addition to intentional cyber- events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information.</p> <p>Cyber security breaches may cause disruptions and impact a business, potentially resulting in financial loss. This may impact the Fund’s ability to calculate its Net Asset Value, trading and the ability of unitholders to transact business. Cyber-attacks may violate privacy and other laws, resulting in regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, and the loss of proprietary information. Among other potentially harmful effects, cyber-events may also result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the Responsible Entity and the Responsible Entity’s service providers.</p> <p>The above may affect issuers of securities in which the Fund invests, counterparties, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Fund holders) and other parties. In addition, substantial costs may be incurred in order to try to prevent any cyber incidents in the future.</p> |
| Derivative Risk | <p>Derivatives are financial contracts that offer access to the performance of an underlying asset and are used to implement investment strategies in the most risk efficient manner possible. The use of derivatives to hedge the risk of physical securities will involve ‘basis risk’, which refers to the possibility that derivatives may not move exactly in line with the physical security. Fluctuations in the price of derivatives will be reflective of movements in the underlying assets, reference rate or index to which the derivatives relate. Consequently, the derivatives should not be expected to fully hedge the risk of the physical security. Derivatives are also used as substitutes for physical securities. In doing so there is the risk that a derivative may not be a perfect substitute for the underlying security it aims to replace, and may not mirror its movements completely. Other risks associated with derivatives may include:</p> <ul style="list-style-type: none"> • Loss of value because of a sudden price move or because of the passage of time; • Potential illiquidity of the derivative; • The Fund being unable to meet payment obligations as they arise; • Significant volatility in prices of the underlying asset; • Some derivatives are leveraged and therefore may magnify or otherwise increase investment losses to the Fund; • Legal risk which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly; and • Counterparty risk which is the risk that parties to derivatives contracts and other investment instruments may not perform their contractual obligations and may default when settlement is due. <p>Note that the Responsible Entity does not guarantee that the Fund’s derivatives strategy will be successful.</p> |
| Distribution Risk | <p>A Fund’s hedging strategy may impact the distributions paid. When the base currency is appreciating relative to other currencies, the gains from hedging may result in additional income being distributed by that Fund and where the base currency is depreciating relative to other currencies, the losses from hedging may offset other income received by that Fund and may result in lower or no income being distributed from that Fund for a distribution period.</p> |
| Emerging Markets Risk | <p>Investments in “Emerging Markets” carry risks additional to those inherent in other investment, some of which are set out below.</p> <p>Economic & Political Factors: Investments in securities of issuers located in “Emerging Market Countries” involve special considerations and risks, including the risks associated with high rates of inflation and interest with respect to the various economies, the limited liquidity and relatively small market capitalisation of the securities markets in Emerging Market Countries, relatively higher price volatility, large amounts of external debt and political, economic and social uncertainties, including the possible imposition of exchange controls or other foreign governmental laws or restrictions which may affect investment opportunities. In addition, with respect to certain Emerging Market Countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments that could affect investments in those countries. Moreover, individual emerging market economies may differ favorably or unfavorably from the economies of developed nations in such respects as growth of gross national product, rates of inflation, capital investment, resources, self-sufficiency and the balance of payments position. Certain emerging market investments may also be subject to foreign withholding taxes.</p> |

| Risk | Risk Description |
|--|--|
| Emerging Markets Risk (continued) | <p>Market Liquidity and Volatility: The securities markets in Emerging Market Countries are substantially smaller, less liquid and more volatile than the major securities markets. A limited number of issuers in most, if not all, securities markets in Emerging Market Countries may represent a disproportionately large percentage of market capitalisation and trading volume. The combination of price volatility and the less liquid nature of securities markets in Emerging Market Countries may, in certain cases, affect the Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.</p> <p>Information Standards: In addition to their smaller size, lesser liquidity and greater volatility, securities markets in Emerging Market Countries are less developed than the securities in more developed markets with respect to disclosure, reporting and regulatory standards. There is less publicly available information about the issuers of securities in these markets than is regularly published by issuers in the more developed market. Further, corporate laws regarding fiduciary responsibility and protection of stockholders may be considerably less developed than those in more developed market. Emerging market issuers may not be subject to the same accounting, auditing and financial reporting standards as companies in more developed market. Inflation accounting rules in some Emerging Market Countries require, for companies that keep accounting records in the local currency for both tax and accounting purposes, that certain assets and liabilities be restated on the company's balance sheet in order to reflect the high rates of inflation to which those companies are subject. Inflation accounting may indirectly generate losses or profits for certain companies in Emerging Market Countries. Thus, statements and reported earnings may differ from those of companies in other countries.</p> <p>Custodial Risks: As the Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to sub-custodians may be exposed to greater risk compared to countries with developed custodial and/or settlement systems.</p> |
| Equity Risk | <p>The value of all Funds that invest in equity and equity related securities will be affected by economic, political, market, and issuer specific changes. Additionally, different industries, financial markets, and securities can react differently to these changes. Such fluctuations in a Fund's value are often exacerbated in the short term as well. The risk that one or more companies in a Fund's portfolio will fall, or fail to rise, can adversely affect the overall portfolio performance in any given period. To gain the full benefits of equity investing, a long-term view is usually advised.</p> |
| Force Majeure Risk | <p>Circumstances beyond our reasonable control may impact the operation, administration and performance of the Fund. Those include industrial disputes, failure of a securities exchange, fires, floods, hurricanes, earthquakes, wars, strikes and acts of terrorism, governmental pre-emption in connection with an emergency of state and pandemics.</p> |
| Fund Risk | <p>There are risks of investing in the Fund rather than investing directly in individual securities. Risks include, but are not limited to, the risk that:</p> <ul style="list-style-type: none"> • the Fund terminates; • the fees and expenses will typically be higher compared to investing directly in individual securities and such fees and expenses may increase and the tax outcomes may be different; • investments and withdrawals by one or more unitholders may have an impact on other unitholders; or • there is a change in the Responsible Entity or an investment manager. |
| Hedging Risk | <p>Investors should note that the hedging strategy between the currency of the Fund and the currency exposure of the assets held is designed to reduce, but not eliminate, exchange-rate risk. There is no guarantee that the exposure of the currency in which the Fund is denominated can be fully hedged against the exposure of the asset held. The successful implementation of the hedging strategy may reduce the benefit of decreases in the value of currency of investment in relation to the base currency of the Fund.</p> |
| Infrastructure Investment Risk | <p>Investments in listed infrastructure and infrastructure related securities generally may be exposed to risks associated with public policy, taxation, infrastructure regulation, economic and climatic conditions, obligations and economic conditions, among others. Regulation and concession arrangements are often designed to compensate companies for the changes in many of these costs, however, there is a risk that the companies are not compensated or are insufficiently compensated negatively impacting the fundamental value of the infrastructure securities.</p> <p>Transportation and related infrastructure sectors are generally more exposed to demand side risks, and therefore are more exposed to economic conditions and events that impact the flow of people, goods or capital.</p> |

| Risk | Risk Description |
|---|---|
| Interest Rate Risk | <p>The value of fixed income securities held by the Fund will generally vary inversely with changes in interest rates and such variation may affect the value of the Fund accordingly. A rise in rates tends to have a greater impact on the prices of longer term or duration securities. While changes in interest rates may affect the value of the Fund's interest income, such changes may also positively or negatively affect the Net Asset Value of the Fund and the Fund on a daily basis.</p> <p>When interest rates rise, bond prices fall. The opposite is also true: bond prices rise when interest rates fall. "Duration" is used to measure the sensitivity of a bond's price to changes in interest rates. Duration is expressed as a unit number of years. For example, the price of a bond with an interest rate duration of 2 years would be expected to move 2% for every 1% move approximately in interest rates. In general, securities with longer maturities (duration) are more sensitive to these interest rate changes compared to securities with shorter maturities (duration). Duration is only one factor that influences performance and other factors may have an impact on the outcome.</p> |
| Investment Risk | <p>There can be no assurance that the Fund's investment objective will be attained. The performance of the Fund is not guaranteed.</p> <p>The value of shares in the Fund may rise or fall, as the capital value of the securities in which the Fund invests may fluctuate. The investment income of the Fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Fund's investment income may be expected to fluctuate in response to changes in such expenses or income. Due to their investment policies, the Fund may have highly volatile performance.</p> |
| Investment Selection Risk | <p>The Investment Manager uses an investment selection process to identify investment opportunities which it believes are most likely to outperform over the medium to long term. There is a risk that these investments will not perform in line with the Investment Manager's expectations however this risk is mitigated to some extent by the knowledge, experience and processes of the Investment Manager.</p> |
| Legal and Regulatory Risk | <p>The Fund is subject to the risk that laws may change in any jurisdiction where the Fund is invested or operates. There is also a risk that taxation or other applicable laws and regulations may change that may affect the operation of the Fund.</p> |
| Liquidity Risk | <p>The risk that arises when adverse market conditions affect the ability to sell assets at desired price when necessary. Reduced liquidity may have a negative impact on the price of the assets. When a fund holds less liquid investments, the fund's portfolio may become harder to value, and if the fund is forced to sell these investments to meet redemption requests or for other cash needs, the fund may suffer a loss. Liquidity risk also refers to the possibility of the Fund not being able to meet redemption requests due to a lack of cash or the inability of the Fund to sell assets at acceptable market price to raise cash needed to meet the redemption requests.</p> |
| Manager and Operational Risk | <p>All Funds are exposed to possible manager and operational risk which include human error, system failures, poor procedures, lack of management controls, termination of the Fund, counterparty risk, changes in fees, replacement of the Responsible Entity and replacement of the Investment Manager.</p> |
| Market Risk | <p>The market prices of the Fund's securities may go up or down, sometimes rapidly or unpredictably, due to local and/or global market conditions, such as real or perceived adverse economic or political conditions, governments policy change, inflation, changes in interest rates, lack of liquidity in the asset markets, adverse investor sentiment, or world events.</p> |
| mFund Risk | <p>Investing through mFund involves certain additional risks. The ASX may suspend or revoke the admission of the Class A units of the Fund on mFund. Communication and system failure affecting the mFund system may also affect your investment, or the transactions processed via mFund have not been processed correctly. Should the Fund fail to comply with the mFund admission requirements, the Class A units of the Fund may lose its settlement status through the mFund service.</p> |
| Political and Economic Developments Risk | <p>The political, economic and social structure of some foreign countries may be less stable and more volatile than those in domestic market that the investors are more familiar with. Investments in these countries may be subject to the risks of internal and external conflicts, currency devaluations, foreign ownership limitations and tax increases.</p> |
| Portfolio Concentration Risk | <p>A Fund may concentrate its investments by: investing in relatively few securities, and/or investing primarily or exclusively in a particular region, country, and/or sector or by excluding certain investments, such as through positive or negative screens. A Fund that has concentrated its investments in one or more of these ways may be less diversified than other funds. It may underperform other funds if there is a downturn in the region,</p> |

| Risk | Risk Description |
|--|--|
| Portfolio Concentration Risk (continued) | country, sector and/or securities in which the Fund has concentrated its investments or if there is a relatively higher performance in the excluded securities, region, country and/or sector. Furthermore, a Fund's investment objectives and/or strategies may require it to concentrate its investments in this way. Such a Fund may maintain the concentration of its investments, despite unfavourable conditions for investment in the region, country, sector and/or securities in which it has concentrated its investments. |
| Security Specific Risk | The value of an individual security held by a Fund may fall. Factors that can affect the value of such a security include, the operations, distribution expectations or management of the company that issued the security or market conditions affecting that company. Changes in interest rates may also affect the value of securities. |
| Service Provider Risk | The Underlying Fund, to a certain extent, is reliant on external service providers in connection with the operation of the Fund and investment activities. There is a risk with these arrangements that the service providers may default in the performance of their obligations or seek to terminate the services with the result that the Underlying Fund, or Fund may be required to seek an alternative supplier and, in the interim, investment activities and other functions of the Fund may be affected. |
| Short Selling Risk | Should the fund ever take short positions, the Fund bears the risk of an increase in the price of an investment over which the short position is taken. Such an increase could lead to a substantial loss. |
| Smaller and Midsize Companies Risk | Securities issued by smaller and midsize companies may be more volatile in price than those of larger companies, involve substantial risks and should be considered speculative. Such risks may include greater sensitivity to economic conditions, less certain growth prospects, lack of depth of management and funds for growth and development, and limited or less developed product lines and markets. In addition, smaller and midsize companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans. |
| Sustainability Risk | The fund's integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the fund and may also cause the fund to sell investments that will continue to perform well. A sustainability risk could materialise due to an environmental, social or governance event or condition which may impact the fund's investments and negatively affect the returns of the fund. |

FUND RISK MAPPING

| Fund Name | Infrastructure Investment Risk | Sustainability Risk | Fund Risk | Market Risk | Security Specific Risk | Interest Rate Risk | Investment Selection Risk | Equity Risk | Smaller and Midsize Companies Risk | Investment Risk | Portfolio Concentration Risk | Political and Economic Developments Risk | Emerging Markets Risk | Currency Risk | Distribution Risk | Hedging Risk | Derivative Risk | Counterparty Risk | Short Selling Risk | Liquidity Risk | Legal and Regulatory Risk | Manager and Operational Risk | Cyber Security Risks | Force Majeure Risk | Service Provider Risk | mFund Risk |
|--|--------------------------------|---------------------|-----------|-------------|------------------------|--------------------|---------------------------|-------------|------------------------------------|-----------------|------------------------------|--|-----------------------|---------------|-------------------|--------------|-----------------|-------------------|--------------------|----------------|---------------------------|------------------------------|----------------------|--------------------|-----------------------|------------|
| ClearBridge RARE Infrastructure Value Fund - Hedged | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ClearBridge RARE Infrastructure Value Fund - Unhedged | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ClearBridge RARE Emerging Markets Fund | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ClearBridge RARE Infrastructure Income Fund - Hedged | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ClearBridge RARE Infrastructure Income Fund - Unhedged | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ClearBridge Global Growth Fund | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| ClearBridge Global Value Improvers Fund | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |

Techniques Used to Manage Risks

ClearBridge employs a variety of techniques to assess, manage and monitor the risks associated with each Fund. These techniques include:

- Active portfolio management
- Monitoring economic factors
- Extensive research
- Maintaining disciplined management controls
- Maintaining robust and independent risk management and compliance systems and practices
- Auditing operational procedures
- Managing derivatives in accordance with ClearBridge's Derivative Risk Management Policy (see below), including backing derivatives with cash, cash equivalents or securities
- Robust selection criteria and ongoing oversight processes for key service providers supported by fully documented service standards and engagement terms.

HOW YOUR MONEY IS INVESTED

Please note: This should be read in conjunction with Section 5 of the Fund PDS

INVESTMENT PROCESS

ClearBridge's investment process includes a number of steps that aim to ensure that the attributes of a security will match the investment objective of the relevant Fund. ClearBridge uses various mechanisms to analyse the global universe of securities. These mechanisms include an investment screening process applying specific financial and market criteria to develop an investment universe of securities. These securities are then subjected to detailed analysis and research to determine ClearBridge's view of the securities' quantitative and qualitative attributes and the risk adjusted return for each security. ClearBridge then compares and selects securities by comparing what ClearBridge believes are common features. The securities exhibiting the better risk adjusted returns are then considered for investment.

The portfolio held by each Fund is constructed based on a bottom-up analysis of individual securities. With the exception of the ClearBridge Global Growth Fund - Class A and C Units, and ClearBridge Global Value Improvers Fund - Class A and C Units, each portfolio is not constructed with reference to any particular index.

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND ETHICAL FACTORS AND LABOUR STANDARDS

- ClearBridge RARE Infrastructure Income Fund - Hedged
 - ClearBridge RARE Infrastructure Income Fund - Unhedged
 - ClearBridge RARE Infrastructure Value Fund - Hedged
 - ClearBridge RARE Infrastructure Value Fund - Unhedged
 - ClearBridge RARE Emerging Markets Fund
 - ClearBridge Global Growth Fund
 - ClearBridge Global Value Improvers Fund
- (each a "Fund" and together the "Funds").

The Portfolio Managers for the ClearBridge Global Growth Fund and ClearBridge Global Value Improvers Fund are employed by ClearBridge Investments, LLC., the Authorised Representative of

ClearBridge Investments Limited.

ClearBridge's investment process includes a number of steps that aim to ensure that the attributes of a security will match the investment objective of the relevant Fund. ClearBridge uses various mechanisms to analyse the global universe of securities. These mechanisms include an investment screening process applying specific financial and market criteria to develop an investment universe of securities. These securities are then subjected to detailed analysis and research to determine ClearBridge's view of the securities' quantitative and qualitative attributes and the risk adjusted return for each security. ClearBridge then compares and selects securities by comparing what ClearBridge believes are common features. The securities exhibiting the better risk adjusted returns are then considered for investment.

The portfolio held by each Fund is constructed based on a bottom-up analysis of individual securities.

ESG Analysis - All Funds

As part of ClearBridge's bottom-up investment process, it also considers environmental, social, governance, and ethical factors and labour standards ("ESG factors") in determining whether to include, retain or exclude securities within the investment universe for each Fund. This information is utilised as part of the investment process by the portfolio managers when integrating ESG and fundamental research in stock selection. ClearBridge does not have a predetermined view as to what it regards to be a labour standard or an environmental, social, governance or ethical consideration.

ClearBridge applies a Research Management System, comprised of the proprietary ESG Ratings Manager ("ERM") and an ESG Engagement Management System which additionally features an Engagement for Impact ("EFI") component, (see further information below). The ERM allows for an easily accessible common language for ESG factors that provides transparency and consistency of methodology in assigning ESG ratings to companies across the firm. This system combines:

- Internal research and analysis;
- Supplementary information and data obtained from a variety of third-party research providers; and
- Engagement with certain company management and non-executive directors and other industry experts selected for review. ClearBridge acknowledges that there may be limitations to the degree of influence it may reasonably have in relation to the companies selected for engagement. ClearBridge does not have any predetermined metrics for measuring or reporting outcomes of the engagement activities.

The Funds may hold investments where ESG factors are not considered, including cash, cash equivalents, exchange-traded funds and certain types of derivatives.

ESG Ratings Manager - All Funds

While ClearBridge does not have a predetermined view as to the extent to which labour standards and environmental, social, governance or ethical considerations are taken into account, the ERM assesses and scores sustainability risks and opportunities across a range of factors, depending on the sector and subsector for each Fund. This system has four rating levels: AAA, AA, A & B, assigned to companies based on performance on key ESG issues (such as health & safety, gender diversity, climate risk, corporate governance risk, data security), including performance relative to the companies' industry peer set.

For further information relating to specific ESG factors, please refer to the 'ESG Factors' section for each of the Funds below.

ENGAGEMENT - ALL FUNDS

Engagements are an integral part of ClearBridge's investment process and our approach to stewardship. Engagements contribute to both our understanding of a company's ESG risks and opportunities — which ClearBridge research analysts express in an internal ESG rating for a company — and our ongoing assessment of a company's operational and financial strength. In fact, a company's ESG profile and valuation are often linked. Furthermore, a substantial portion of our company research is informed by direct, ongoing interaction with company management and boards of directors, both in our offices and through on-site company visits.

As mentioned above, we 'Engage for Impact'. EFI is our internal engagement initiative which encourages more targeted engagements for a limited number of selected companies within our broader engagement activities that have a greater likelihood of creating positive impact, which we define as the creation of long-term positive environmental or social outcomes for the benefit of all stakeholders. Both sector and portfolio analysts work closely with our portfolio managers to develop specific "asks" or areas for improvement for priority target companies, for example, reducing emissions and improving board effectiveness. However, ClearBridge acknowledges that there may be limitations to the degree of influence it may reasonably have in relation to the companies selected for engagement and that achieving a positive impact may require the collective effort of other shareholders. ClearBridge does not have any predetermined metrics for measuring or reporting outcomes of the engagement activities.

NEGATIVE SCREENING - ALL FUNDS

ClearBridge applies screens which exclude certain investments across the Funds. The Funds will not invest in:

| Name of Fund | Negative Screen |
|--|---|
| ClearBridge RARE Infrastructure Income Fund - Hedged | <ul style="list-style-type: none"> Companies that directly generate any gross revenue from tobacco production but may invest in companies that indirectly generate 5% or less of their gross revenue from the supply or retail of tobacco. Companies that directly generate any gross revenue from the production of adult entertainment but may invest in companies that indirectly generate 5% or less of their gross revenue from the distribution or retailing of adult entertainment. |
| ClearBridge RARE Infrastructure Income Fund - Unhedged | <ul style="list-style-type: none"> Companies that directly generate 10% or more of their gross revenue from the production of conventional weapons. Companies that have any direct involvement in the production of cluster munitions, landmines, biological weapons, and chemical weapons. |
| ClearBridge RARE Infrastructure Value Fund - Hedged | <ul style="list-style-type: none"> Companies that directly generate any gross revenue from commercial gambling operations but may invest in companies that indirectly generate 5% or less of their gross revenue from the licensing or supporting activities of gambling. |
| ClearBridge RARE Infrastructure Value Fund - Unhedged | <ul style="list-style-type: none"> Companies that directly generate more than 10% of their gross revenue from the extraction and/or production of oil and gas. Companies that directly generate more than 10% of their gross revenue from the mining and/or sale to external parties of thermal coal (including lignite, bituminous, anthracite and steam coal). |
| ClearBridge RARE Emerging Markets Fund | <ul style="list-style-type: none"> Companies that directly generate any gross revenue from tobacco production but may invest in companies that indirectly generate 5% or less of their gross revenue from the supply or retail of tobacco. Companies that directly generate any gross revenue from the production of adult entertainment but may invest in companies that indirectly generate 5% or less of their gross revenue from the distribution or retailing of adult entertainment. Companies that directly generate 10% or more of their gross revenue from the production of conventional weapons. Companies that have any direct involvement in the production of cluster munitions, landmines, biological weapons, and chemical weapons. Companies that directly generate any gross revenue from commercial gambling operations but may invest in companies that indirectly generate 5% or less of their gross revenue from the licensing or supporting activities of gambling. |
| ClearBridge Global Growth Fund | <ul style="list-style-type: none"> Companies that directly generate any gross revenue from tobacco production but may invest in companies that indirectly generate 5% or less of their gross revenue from the supply or retail of tobacco. Companies that directly generate any gross revenue from the production of adult entertainment but may invest in companies that indirectly generate 5% or less of their gross revenue from the distribution or retailing of adult entertainment. Companies that directly generate 10% or more of their gross revenue from the production of conventional weapons. Companies that have any direct involvement in the production of cluster munitions, landmines, biological weapons, and chemical weapons. |

| Name of Fund | Negative Screen |
|---|---|
| ClearBridge Global Growth Fund (continued) | <ul style="list-style-type: none"> • Companies that directly generate any gross revenue from commercial gambling operations but may invest in companies that indirectly generate 5% or less of their gross revenue from the licensing or supporting activities of gambling. • Companies that directly generate 15% or more of their gross revenue from nuclear power generation. • Companies that directly generate more than 20% of their gross revenue from the extraction and/or production of oil and gas. • Companies that directly generate more than 20% of their gross revenue from the mining and/or sale to external parties of thermal coal (including lignite, bituminous, anthracite and steam coal). |
| ClearBridge Global Value Improvers Fund | <ul style="list-style-type: none"> • Companies that directly generate any gross revenue from tobacco production but may invest in companies that indirectly generate 5% or less of their gross revenue from the supply or retail of tobacco. • Companies that directly generate any gross revenue from the production of adult entertainment but may invest in companies that indirectly generate 5% or less of their gross revenue from the distribution or retailing of adult entertainment. • Companies that directly generate 10% or more of their gross revenue from the production of conventional weapons. • Companies that have any direct involvement in the production of cluster munitions, landmines, biological weapons, and chemical weapons. • Companies that directly generate any gross revenue from commercial gambling operations but may invest in companies that indirectly generate 5% or less of their gross revenue from the licensing or supporting activities of gambling. |

Should an investment cease to be consistent with the screens imposed, such investment will be divested as soon as reasonably practicable and in the best interests of investors.

RISK AND LIMITATIONS OF NEGATIVE SCREENS

Where negative screens are applied to exclude investments from a Fund (whether based on ESG factors or otherwise), all reasonable care is taken to ensure such screening is applied consistently with the relevant PDS and a portfolio's compliance with the screening criteria is regularly monitored.

However:

- there is a risk that different data will be available to the investment managers at different times (for example, because publicly available financial or other information is not always comprehensive or up to date), which may yield different results with respect to whether or not a particular investment is or should be excluded based on the application of the relevant screen at a particular point in time;
- there may be limitations in the financial or other data made available to Franklin Templeton Australia upon which screening decisions are based (for example, the data may include estimates or be based on certain assumptions which later prove to be inaccurate); and
- despite the investment manager's best efforts, some investments may from time to time be included in a Fund where they should, based on the applicable negative screen, be excluded and there is no guarantee that all investments in a Fund will meet all screening criteria at all times.

There may be limitations to the availability, timeliness, accuracy and reliability of data used to assess ESG factors and this may impact the analysis and may result in securities being incorrectly included or excluded from a Fund's portfolio.

The manager uses its own proprietary framework and considers the data provided by a third-party vendor (where available), and to the extent of any inconsistency, the manager's analysis will prevail.

Further to the above, the relevant Fund, depending on the stated investment objective, may invest in securities that are involved in the same supply chain as an excluded investment or otherwise have an indirect association with an excluded investment. For example, a Fund may invest in companies that are providing financing to an excluded investment. The Fund may have indirect exposure to excluded investments through other investments including cash, cash equivalents, exchange-traded funds and certain types of derivatives.

Adult entertainment materials are only excluded where the company has derived revenue from producing, directing, or publishing adult entertainment materials that fall into the following categories: producer of X-rated films, producer of pay-per-view programming or channels, producer of sexually explicit video games, producer of books or magazines with adult content, live entertainment of an adult nature, producer of adults-only material on the internet. Does not include broadcasting of adult entertainment materials.

Throughout this document, negative screening may not include the parent or subsidiaries of companies.

REVENUE

For the purposes of revenue-based exclusionary screens, revenue is generally on a gross basis and generally based on both publicly available information including revenue reported by the company in audited financial statements (where available) and the manager's analysis of other relevant factors, that the manager adjudges may impact revenue trends. While the manager will generally divest investments that no longer meet the revenue thresholds, the manager may also continue holding companies where it considers it to be

in the best interests of investors. For example, in extraordinary circumstances, an investment may temporarily marginally exceed a revenue threshold but be retained in a portfolio where the manager assesses the investment will return within revenue thresholds within a reasonable time. Any such decisions will be made in the best interests of investors and will take into account various factors relating to the investment such as the materiality of the excess over the revenue thresholds (from both a quantum and time perspective), the liquidity of the investment and transaction costs.

RISKS AND LIMITATIONS (ESG FACTORS) - ALL FUNDS

The investment managers appointed by Franklin Templeton Australia do not have a predetermined view as to what comprises a labour standard or an environmental, social, governance or ethical consideration and have no predetermined view as to the extent to which a labour standard or an environmental, social, governance or ethical consideration will be taken into account. Taking all factors relevant to the overall investment thesis into account, including non-ESG factors, a security with a relatively lower ESG rating may be acquired and retained, and, conversely, a security with a relatively higher ESG rating may be neither acquired nor retained, where ClearBridge believes this is consistent with the overall investment objective and strategy of the Fund.

The Funds may hold investments where ESG factors are not considered, including cash, cash equivalents, exchange-traded funds and certain types of derivatives. There may be limitations to the availability, timeliness, accuracy and reliability of data used to assess ESG factors and this may impact the analysis and may result in securities being incorrectly included or excluded from a Fund's portfolio.

GLOBAL LISTED INFRASTRUCTURE FUNDS

In addition to the information provided above, the following further information is provided for the following Infrastructure Funds:

- ClearBridge RARE Infrastructure Income Fund - Hedged
- ClearBridge RARE Infrastructure Income Fund - Unhedged
- ClearBridge RARE Infrastructure Value Fund - Hedged
- ClearBridge RARE Infrastructure Value Fund - Unhedged
- ClearBridge RARE Emerging Markets Fund

ESG FACTORS

As described above, the ERM assesses and scores sustainability risks and opportunities across a range of factors. Depending on the infrastructure subsector, these factors are weighted according to importance and broadly focus on:

- Environmental factors such as a company's environmental practices, GHG emissions and energy efficiency initiatives;
- Social factors such as a company's approach to community relations;
- Governance factors such as the governance structure of the company, our alignment (as a minority shareholder) with the management, board and other major shareholders of the company and management and board quality including operating excellence, diversity and remuneration practices, amongst others;
- Ethical factors including management and board integrity and quality (e.g. anti-corruption measures, compliance, and ethical conduct); and
- Labour standards such as employee health and safety and management.

THE INVESTMENT PROCESS

In addition to the processes described above, to construct our investment universe or opportunity set, ClearBridge starts by screening the global universe of listed equity securities for infrastructure companies. The process aims to focus our research on companies where infrastructure is the primary driver of fundamental valuation, and the predictability and stability of cash flows meet our investment objectives.

As a result, we apply various screening processes to companies including for exposure concerns, where the assets are not predominantly infrastructure and we also take into account quality concerns, where we assess the company's business model and operating environment, including:

- Sovereign interests (authoritarian or oppressive regimes);
- Legal environment; and
- Regulatory environment.

Our investment team then incorporates sustainability analysis into the investment process and portfolio construction via three main pillars:

- **Valuation (cash flow forecasts)** – where appropriate, our analysts incorporate sustainability into our cash flow and terminal value forecasts. Examples include the cost of emitting carbon for large power utilities, the cash flows related to asset-based growth from storm hardening investments or the impact of technological innovation on the useable life of existing assets. Sustainability research may directly affect our valuation of companies to the extent that it affects our assessment of cash flows. For example, companies may need to invest in mitigating the impact of climate change, and such investments need to be reflected in financial forecasts as a part of scenario analysis. In most cases, the majority of the Sustainability IRR impacts are captured via cashflow adjustments.
- **Risk pricing (required return adjustment)** – the expected internal rate of return from each infrastructure security is compared with a required return, or 'hurdle rate' for each investment. The required return captures sustainability factors that cannot be priced into cash flows (the standard discount rate in our financial models had reflected a rating for corporate governance & management since June 2006 and environmental and social factors since 2012). As part of this assessment, we make explicit adjustments for sustainability risks and opportunities as determined by our ERM. For the Total fees and costs = management fees and costs + transaction costs + buy-sell spread top ESG rated company we apply a reduction to the required return to capture the improved risk profile and for the lowest rated we increase the required return. For companies in between we scale the required return adjustment relative to their ESG rating.
- **Engagement, proxy voting and controversy monitoring (active management)** – the ability to engage with company management teams is paramount and, as a result, ClearBridge does not invest in securities issued by companies with which our analysts cannot engage. ClearBridge's investment team thinks of "active ownership" as the supporting of good corporate governance and the pursuit of change where ClearBridge believes sustainability practices are weak or less than ideal but acknowledging there may be limitations to the degree of influence ClearBridge may reasonably have. In the latter circumstances, ClearBridge may still purchase and/or retain a security provided that company management are positively engaged, and provided that this decision is consistent with the overall investment objective and strategy. As part of its engagement process, ClearBridge continues to monitor for alerts and controversy data and factors this into its investment decisions. We also participate in

proxy voting in accordance with our policy and our individual client investment management agreements. ClearBridge does not have any predetermined metrics for measuring or reporting outcomes of the engagement activities.

UN GLOBAL COMPACT (UNGC) PRINCIPLES SCREENING

Our Compliance team monitors compliance with the ten principles in each of the four areas (human rights, labour, environment and anti-corruption) of the UNGC on a daily basis for our investment strategies. If a violation is identified, the investment will be divested as soon as reasonably practicable and in the best interests of investors.

We use a third-party data provider for UNGC monitoring to make an initial assessment of whether a company is breaching the principles of the UNGC and is therefore categorised as a 'fail'. This assessment can only be overridden if ClearBridge has identified clear evidence to support an assessment indicating that there was no breach of the principles. Any decision to override is subject to enhanced internal sign-off by the portfolio managers and Compliance.

CLEARBRIDGE GLOBAL VALUE IMPROVERS FUND

ESG FACTORS

In addition to the processes outlined above, the Portfolio Manager integrates industry-specific ESG factors into our fundamental research process using a proprietary framework that identifies key ESG considerations for each sector and subsector we invest in:

- **Environmental:** Topics include climate change, environmental regulation and compliance; environmental impacts of products and services; renewable energy investments; stranded asset risk; and water management;
- **Social:** Topics include affordability and access to medicines; financial inclusion and access; human capital management (recruitment and retention, diversity and inclusion);
- **Governance:** Topics include board effectiveness; capital structure and allocation; executive compensation; shareholder rights and controls;
- **Ethical factors:** Topics include management and board integrity and quality (e.g. anti-corruption measures, compliance, and ethical conduct); integrity and independence of financial credit ratings; and
- **Labour standards:** Topics include supply chain labour management (human rights, health and safety).

THE INVESTMENT PROCESS

For this Fund, the Portfolio Manager selects and monitors the investments with a dual mandate. In addition to the ESG factors described above, the Portfolio Manager uses a proprietary framework to identify companies that in the Portfolio Manager's opinion, are assessed to be trading at a discount to its assessment of their intrinsic value. Intrinsic value, according to the Portfolio Manager, is the value of the company measured, to different extents depending on the type of company, on factors such as, but not limited to, the discounted value of its projected future free cash flows, the company's ability to earn returns on capital in excess of its cost of capital, private market values of similar companies and the costs to replicate the business. The Portfolio Manager ultimately determines the inclusion or exclusion of an issuer from the scheme, based on both the intrinsic valuation process described above and on its own ESG research and monitoring process supported by inputs from a proprietary framework as well as external data sources.

The Portfolio Manager then seeks to identify those companies who it believes demonstrate current or emerging ESG initiatives and trends that are likely to be long-term value accretive. This approach helps identify opportunities likely to have significant valuation discounts, which the Portfolio Manager believes provide a margin of safety. The Portfolio Manager does not have a predetermined view as to the weight given to these assessments.

The Portfolio Manager uses the proprietary framework outlined above to determine issuers that it considers to be improving in terms of the ESG assessments. This proprietary framework seeks to identify any material weaknesses in a company's ESG characteristics and assesses the potential for improvement. The Fund will use KPIs to measure companies' progress in addressing identified ESG weaknesses. There is no predetermined view as to what constitutes an ESG weakness or what constitutes an improver. Generally, improvers may be classified into three separate categories: Enablers, Reformers and Promoters.

Enablers are typically companies whose products enable greater energy efficiency and lower natural resource use as well as other ESG objectives by other companies across different sectors. While growth and IT companies are often considered the vanguard of developing new technology to help meet ESG goals, overlooked is the fact that they rely on companies across a broader range of sectors to manufacture the tools and implement the processes that enable real long-term change. We believe these latter companies are the backbone in helping ESG laggards across the economy improve their ESG profile, and this compounding effect makes them more likely to be central to an investment approach focusing on ESG improvers. From a financial perspective, enablers may often see new revenue opportunities from ESG-related sales, thereby promoting both the acceleration in their growth rates and driving stock multiple re-ratings.

Reformers are typically companies actively improving their sustainability profiles. Many operate in traditionally heavy emission or polluting industries currently undergoing a transition to become more environmentally sustainable. However, we also consider this category to encompass companies that have had societal and governance issues such as a lack of diversity, avoidance of under-served communities, labour issues and corporate structures that may create conflicts of interest between management and shareholders. From a financial perspective, reformers typically trade at steep discounts to market multiples because of their ESG misalignment, and thus have the opportunity for significant share price appreciation if they can demonstrate improvement.

Promoters - We consider a framework centred around the 17 United Nations Sustainable Development Goals (UN SDGs) when looking for companies truly making an impact on sustainability. Examples include health care companies critical to improving health and well-being, financial companies that can expand financial inclusion and finance sustainability initiatives and food companies that are integral in promoting downstream (hunger and nutrition) as well as upstream (biodiversity) improvements. Promoters, whose products or services have a direct impact on furthering the UN SDGs, pursue these types of opportunities. From a financial perspective, promoters represent idiosyncratic undervaluation opportunities across a broad array of sectors that enable portfolio diversification.

The Fund may invest in companies of any size. In making its investments, it is not intended that the Fund will concentrate on any particular industries or geographical areas.

The Portfolio Manager will divest from a position as soon as reasonably practicable and in the best interests of investors if progress is not measured by the relevant KPIs and internal thresholds, reflected in company policies/decisions, or disclosed during engagements over a period of three years. Further, companies that materially regress relative to stated goals, will be removed from the Fund as soon as reasonably practicable and in the best interests of investors. The Portfolio Manager engages with portfolio companies on ESG matters to improve the Portfolio Manager's understanding of a business and its potential for long-term success. However, the Portfolio Manager acknowledges that there may be limitations to the degree of influence it may reasonably have in relation to the companies selected for engagement. The Portfolio Manager does not have any predetermined metrics for measuring or reporting outcomes of the engagement activities.

UN GLOBAL COMPACT (UNGC) PRINCIPLES SCREENING

The Portfolio Manager proceeds with a formal review of alleged violations of UNGC Principles, international norms on human rights, labour rights, environment standards and anticorruption statutes, which are identified on a best-efforts basis. The severity of the violation, response, frequency and nature of the involvement are considered when deciding appropriate action. Actions may include internal ESG rating downgrade, targeted engagement seeking progress on the issue cited, or divestment.

CLEARBRIDGE GLOBAL GROWTH FUND

ESG FACTORS

The Portfolio Manager integrates industry-specific ESG factors into our fundamental research process using a proprietary framework that identifies key ESG considerations for each sector and subsector we invest in:

- **Environmental:** Topics include climate change, environmental regulation and compliance; environmental impacts of products and services; renewable energy investments; stranded asset risk; and water management;
- **Social:** Topics include affordability and access to medicines; financial inclusion and access; human capital management (recruitment and retention, diversity and inclusion);
- **Governance:** Topics include board effectiveness; capital structure and allocation; executive compensation; shareholder rights and controls;
- **Ethical factors:** Topics include management and board integrity and quality (e.g. anti-corruption measures, compliance, and ethical conduct); integrity and independence of financial credit ratings; and
- **Labour standards:** Topics include supply chain labour management (human rights, health and safety).

THE INVESTMENT PROCESS

The Portfolio Manager's philosophical approach to fundamental investing focuses mainly on factors that drive long-term business value (e.g., ROIC, competitive advantages, management quality, etc.) - factors that other managers with shorter time horizons may not take into consideration.

The ClearBridge Global Growth investment philosophy is based on buying growth at a discount to a company's underlying value, something the Portfolio Manager calls "a valuation approach to growth." The Portfolio Manager believes this philosophy sets them apart from other growth managers.

The Portfolio Management Team has developed a back-tested, proprietary multifactor model to systematically track, identify and prioritise research candidates. The Team has a broad view

of what constitutes a growth idea that can be broken into three segments: emerging, secular and structural, each with different risk parameters and size constraints for the portfolio. While not overpaying for an idea is paramount, having a differentiated investment thesis, developed from fundamental work as to why the stock is mispriced today, is essential to their intrinsic value philosophy.

The investment universe consists of approximately 6,000 U.S. and non-U.S. large-, mid- and small-capitalisation companies with market caps above \$100 million across the growth spectrum. In defining the universe of potential investment candidates, the Portfolio Manager considers companies that are globally or locally attractive, as well as those that seem to have strong niche positions, products or services with promising prospects. They look at a host of fundamental factors when evaluating the merits of an investment. Relevant considerations include the company's competitive ecosystem, its long-term competitive advantage and returns on capital invested, the uses of operating cash flow, and a thorough analysis of its capital structure.

The Fund may invest in companies of any size. In making its investments, it is not intended that the Fund will concentrate on any particular industries or geographical areas.

UN GLOBAL COMPACT (UNGC) PRINCIPLES SCREENING

On a best-efforts basis, the Portfolio Manager proceeds with a formal review of alleged violations of UN Global Compact Principles, international norms on human rights, labour rights, environment standards and anticorruption statutes. The severity of the violation, response, frequency and nature of the involvement are considered when deciding appropriate action.

DERIVATIVES

ClearBridge does not make extensive use of derivatives. When contemplated by a Fund's investment guidelines, it is ClearBridge's policy to use derivative instruments principally for hedging, risk management, return enhancement, and to implement strategies in a more efficient manner.

Derivatives are not used for speculation where speculation is defined as derivative activity that would result in the net exposure being outside of the investment guidelines.

FEES AND OTHER COSTS

Please note: This should be read in conjunction with Section 6 of the Fund PDS.

**Total fees and costs = management fees and costs
+ transaction costs + buy-sell spread**

ADDITIONAL EXPLANATION OF FEES AND COSTS

This section provides important information about fees and other costs that you may be charged. All fees quoted in this AIB are inclusive of Goods and Services Tax (GST) less any Reduced Input Tax Credits (RITC) and stamp duty (if applicable).

Investing through a Master Fund or Wrap Service The PDS shows the fees and other costs that are charged or recovered directly by Franklin Templeton Australia. These fees and other costs may be deducted from your money, from the returns on your investment or from the respective Fund's assets as a whole. Investors investing through a Master Trust or Wrap Service should note that these fees and costs do not include any other

fees imposed by the Master Trust or Wrap Service operator.

1. Management fees and costs

Management fees and costs include:

- Amounts payable for administering, operating and managing the Fund
- Amounts paid for investing in the assets of the Fund
- Other expenses and reimbursements in relation to the Fund
- Indirect costs (see section below).

This excludes transaction costs.

Management fees and costs are not deducted directly from your Fund account. Instead, they are accrued daily within the Fund or unit class (if applicable) unit price and are deducted from the assets of a Fund. Management fees and costs are generally paid to the Responsible Entity monthly in arrears.

Indirect costs

Indirect costs include any amount that we know, reasonably ought to know or, where this is not the case, may reasonably estimate, will reduce the return of a Fund. Indirect costs may be incurred directly by a Fund and are dependent upon a number of factors and therefore may change from year to year. Indirect costs for future periods may be higher or lower than the indirect costs currently disclosed.

2. Transaction costs

Transaction costs are incurred when assets are bought and sold. Transaction costs include, but are not limited to:

- Explicit transaction costs, such as brokerage costs, settlement costs, clearing costs (including custody costs) and stamp duty
- OTC derivative transaction costs (excluding such costs disclosed as indirect costs), such as derivatives used for hedging purposes.

Transaction costs exclude certain implicit or market impact costs.

Transaction costs that are not recovered (i.e., through the buy-sell spread) reduce the investment return of a Fund. Net transaction costs are reflected in each Fund's unit price and are not charged separately to the investor.

Transaction costs are generally calculated based on the costs incurred for the previous financial year. In the case of a new fund, transaction costs are disclosed as a reasonable estimate of the costs expected to be incurred over the next twelve months. Certain amounts or figures used to calculate transaction costs may include estimates in circumstances where actual figures could not be obtained. Actual transaction costs for future years may differ.

Transaction costs are dependent upon a number of factors and therefore may change from year to year. Transaction costs for future periods may be higher or lower than the transaction costs currently disclosed.

3. Buy-sell spread

The buy-sell spread reflects the estimated transaction costs associated with buying and selling the assets of a Fund when investors invest or redeem from that Fund. The buy-sell spread is applied with the intention of ensuring all investors are treated equally and looks to ensure that investors within a Fund are not negatively impacted as a result of the investment activity of other investors in the Fund. The buy-sell spread is retained in each of the Funds and no portion is paid to us.

The buy spread is the difference between the Application Price and the NAV price. The sell spread is the difference between the Redemption Price and the NAV price. The total buy-sell spread is the difference between a Fund's Application and Redemption Price.

Please note that there may be circumstances where we may exercise our discretion to vary the buy-sell spread above or below those stated in this document, for example, where the costs associated with obtaining or disposing of the underlying assets are likely to be materially above those typically encountered in normal market conditions. Prior notice of a change to the buy-sell spread will not ordinarily be provided. However, the buy-sell spread is available on the ClearBridge website.

The buy-sell spread is an additional cost to the investor but is reflected in a Fund's Application and Redemption Price. Such costs are not charged separately to an investor.

CHANGES TO FEES

In ordinary circumstances, we will provide investors in the Fund with at least 30 days prior notice of any proposed increase to the fees up to the maximum fees set out above.

We are only permitted to charge more than the maximum amount of the fee that a Fund's Constitution specifies if unitholders' approval by special resolution has been sought and granted.

NEGOTIATED FEES

We may offer rebates or waivers of fees to wholesale clients on an individually negotiated basis in accordance with relevant law and any applicable ASIC relief. Wholesale clients should contact ClearBridge by phone on +61 2 9397 7351 or via email at auclientservice@clearbridge.com for further information.

ABNORMAL EXPENSES

A Fund may incur abnormal expenses, such as expenses associated with a change in Responsible Entity, termination of the Fund or a unitholder meeting. These expenses will be paid out of the Fund as and when these expenses occur.

ADVISER FEES

We do not pay an adviser service fee or commission to financial advisers.

You may incur a fee for the advice provided to you by your adviser, but this does not represent a fee that we have charged you for investing in a Fund and is not an amount paid out of the assets of a Fund. The amount of fees you will pay (if any) to your adviser should be set out in a Statement of Advice given to you by your financial adviser. You will be responsible for the payment of these fees and they will not be paid by us. We recommend that you check with your adviser if you will be charged a fee for the provision of their advice.

GST AND RITC

For the purposes of each Disclosure Document and this AIB, it has been assumed that we will be entitled to the maximum amount of RITC applicable when stating fee amounts. If the GST rate increases, or if the full amount of RITC is not available, the Fund's Constitution allows us to recoup the extra amount out of the Fund.

Under GST regulations since July 2012, the rate of RITC remained at 75% for some categories of fees and costs but reduced to 55% for other fees and costs.

Each Fund intends to claim the full RITC available for fees and costs.

Each Fund will charge the relevant management fees and costs with an adjustment made to recoup the difference in RITC as applicable.

IMPORTANT TAX INFORMATION

Please note: This should be read in conjunction with Section 7 of the Fund PDS

TAX CONSIDERATIONS GENERALLY APPLICABLE TO SCHEMES

The information set out below is a broad overview of some of the tax consequences for Australian residents of investing in managed investment schemes and Funds. It does not take into account the specific circumstances of each unitholder that may invest in the Funds and should not be used as the basis upon which potential unitholders make an investment decision. This information has been prepared based on Australian tax law and administrative and judicial interpretations of such as at the date of this AIB. These summaries do not take into account the position of unitholders who are assessed on their disposal of units otherwise than under the Australian capital gains tax provisions, such as unitholders who are in the business of trading or dealing in units or securities.

Franklin Templeton has elected into the Attribution Managed Investment Trust (AMIT) tax regime, from the year ended 30 June 2018, for each of the Funds that is eligible as an Attribution Managed Investment Trust. We have set out below a summary of how the AMIT regime will apply to those Funds.

However, for those Funds that currently are not eligible or may cease to satisfy the qualification requirements to be an AMIT, this material may not be relevant. We have also set out below a summary of how the Funds are taxed under the default trust taxation rules, as well as some information that is relevant to the Funds irrespective of whether the AMIT regime applies or not.

The taxation implications of investing in a Fund are particular to each unitholder's circumstances. Franklin Templeton recommends that you seek professional tax advice. Nothing contained in the Fund PDSs or this AIB should be construed as the giving of, or be relied upon, as tax advice. No Australian income tax should be payable by the Funds on the income of the Funds provided unitholders become presently entitled to all of the taxable income of the Funds each financial year. Franklin Templeton intends to take all reasonable steps to ensure that these requirements are satisfied.

TAX TREATMENT OF SCHEMES – AMITS

On the basis that the Funds are AMITs for tax purposes, Australian resident unitholders of the Fund should be taxed on the tax components of the Funds that are attributed to them each year.

The tax components of the Funds that are attributed to an Australian resident unitholder will be disclosed in a statement, known as the "AMIT member annual statement" or "AMMA statement", following the Funds' financial year end of 30 June. Aside from the tax components of the Funds which are attributed to a unitholder in respect of the relevant financial year, the AMMA statement will also state an estimate of the expected cost base adjustment to the unitholder's units for the relevant year.

The tax components which are attributed by the Funds to unitholders should include the tax components of the Funds that are reflected in any distributions made by the Funds to unitholders for the relevant year. Unitholders may also be attributed tax components where they undertake a significant redemption of units in the Funds, or where Franklin Templeton determines that part of the taxable income of the Funds should be accumulated and not distributed. Franklin Templeton does not currently have an intention to accumulate taxable income of the Funds.

For the Funds that qualify as AMITs, unitholders should be subject to the regime for cost base adjustments provided for in interests in AMITs. Under this regime, unitholders may experience an upward cost base adjustment to the extent that the taxable components attributed to them for the year exceed the amounts distributed to them for the year, or a downward cost base adjustment to the extent that the distributions made to them exceed the taxable components attributed to them. As outlined above, the AMMA statement that unitholders are provided should provide details of Franklin Templeton's estimate of these cost base adjustments.

TAX TREATMENT OF SCHEMES – WHERE FUNDS ARE NOT AMITS

For those Funds that are not AMITs for a particular year of income:

- Unitholders should be taxed on the taxable income generated by the Funds to the extent that they are 'presently entitled' to all of the distributable income of the Funds. Franklin Templeton intends to administer these Funds such that unitholders of these Funds are 'presently entitled' to all of the distributable income of these Funds each year.
- Instead of being provided with an AMMA statement as described above, unitholders will be provided with a distribution statement. This distribution statement will include information regarding the taxable net income of the Funds which unitholders may be assessed on, based on their distributions and 'present entitlement' to the distributable income of the Funds. This should assist unitholders in the completion of their tax returns for the relevant years.
- The regime for cost base adjustments that apply to units in AMITs (including the potential for upward cost base adjustments) should not apply. However, unitholders may have downward adjustments to the cost base of their units in certain circumstances (see discussion below).

TAXABLE COMPONENTS FROM THE FUNDS

We have set out below some of the tax consequences associated with certain components of the taxable income of the Funds which unitholders may be attributed (where the Funds are AMITs) or distributed (where the Funds are not AMITs).

CAPITAL GAINS

The disposal of certain investments by the Funds may give rise to capital gains for the Funds. Accordingly, the tax components that a unitholder is attributed or distributed from the Funds may include a component of taxable capital gains, which should be included in the unitholder's taxable capital gains for the relevant year.

As previously discussed, the inclusion of non-assessable amounts in the distributions made by the Funds may have capital gains tax consequences for unitholders, such as the potential for downward cost base adjustments (or even capital gains where there is insufficient cost base) for a unitholders' units in the Fund.

The amounts attributed to unitholders may also include amounts that are referable to the discount capital gains concession. Irrespective of whether a unitholder is assessed on these amounts, to the extent that these amounts are distributed by the Funds to unitholders, no downward cost base adjustment should arise for the unitholder in respect of these amounts.

FOREIGN INCOME AND TAX CREDITS

The Funds may realise assessable foreign-sourced income from their investments. Assessable foreign-sourced income components may be attributed or distributed by the Funds to unitholders.

The Funds may also attribute or otherwise pass through foreign income tax offsets to unitholders in respect of certain foreign taxes withheld from foreign-sourced income realised by the Funds. These should be disclosed in the AMMA statement (for Funds that are AMITs) or distribution statement (for Funds that are not AMITs) that are provided to unitholders following the end of the financial year (see discussed above).

OTHER GAINS

The Funds may realise other types of assessable income, for example, gains arising on certain derivatives which may be entered into by the Funds.

As the Funds' investments may be denominated in a currency other than Australian dollars, the Funds may realise foreign currency gains in certain circumstances. The tax components of the Funds that are attributed or distributed to unitholders may include amounts that are referable to these foreign currency gains.

FOREIGN TAXES

Foreign taxes may be imposed where a Fund's investments or dealings have some connection with a foreign jurisdiction. For example, the United States of America has enacted rules known as the Foreign Account Tax Compliance Act (**FATCA**), which commenced on 1 July 2014. FATCA withholding tax at 30% may apply to certain payments of US sourced income (and certain other amounts) unless the recipient is FATCA compliant. As Responsible Entity of the Funds, we are a Reporting Australian Financial Institution (**AFI**) and comply with our obligations under the FATCA Intergovernmental Agreement with the US (**FATCA IGA**) and Australian domestic laws. Under the FATCA Agreement, we do not report information directly to the IRS. Instead, we report to the Australian Taxation Office (**ATO**) and the information is made available to the IRS, in compliance with Australian privacy laws, under existing rules and safeguards in the Australia-U.S. Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income. We conduct appropriate due diligence procedures as set out in the FATCA IGA.

Provided we comply with registration, due diligence and reporting requirements in accordance with the FATCA IGA and associated Australian domestic law, and we comply with self-certification requests from other parties, the Funds will not be subject to FATCA withholding on payments made to them. We may request that you provide certain information about yourself and (where you are an entity) your controlling persons in order for the Funds to comply with their FATCA IGA obligations.

Subject to law, we may delay or refuse to accept an application (and return any monies received with the application without interest) where there is a delay or failure to produce the required information. Alternately we may be required to treat the application, or unitholder, as reportable to the ATO. By

applying to invest in the Fund, you warrant that you, your agent, or your nominated representative will provide us with all additional information and assistance that may be requested in order to comply with our ongoing obligations under FATCA and the FATCA IGA.

In the event that we/the Funds incur any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither we/the Fund will be required to compensate you for any such tax or penalties.

DISPOSAL OR REDEMPTION OF UNITS BY UNITHOLDERS

Under the capital gains tax provisions, unitholders who redeem or otherwise dispose of their units in the Funds may realise a capital gain or loss on the redemption or disposal. The amount of the capital gain or loss should broadly equal the excess of the consideration they receive in respect of the redemption or disposal over the cost base of their unit.

For units in Funds that are or have been subject to the AMIT regime, as previously discussed, the application of the AMIT regime to the Funds means that the cost base of units in the

Funds may be adjusted for the relevant year based on the distributions received on the units and the tax components attributed to the unitholder in respect of the units for the relevant year. Any such cost base adjustments that arise in respect of the financial year in which units that are redeemed or disposed of should be taken into account in calculating the capital gain or loss which arises for unitholders in respect of the redemption or disposal.

Unitholders may be able to claim a capital gains tax discount to reduce any net capital gain arising on the disposal or redemption of their units if they have held their units for 12 months or more prior to the disposal or redemption and relevant conditions are satisfied.

TAX FILE NUMBER OR AUSTRALIAN BUSINESS NUMBER

Collection of tax file numbers (**TFN**) is authorised and the use and disclosure of TFNs are strictly regulated by the tax laws and the Privacy Act. Unitholders may, but are not required to, quote a TFN, a TFN exemption or, if your investment is made in the course or furtherance of an enterprise carried on by you, an ABN.

If a unitholder does not provide a TFN or an ABN, withholding tax may be deducted from distributions made to the unitholder.

GST

Unitholders should not be subject to GST on applications to or redemptions from the Funds. The Funds may incur GST in respect of various supplies that it acquires. However, a Reduced Input Tax Credit (**RITC**) may be available to the Funds on certain supplies.

NON-RESIDENT INVESTORS

For any investor in a Fund who is an Australian non-resident for Australian tax purposes, Franklin Templeton may be required to withhold Australian tax from any distributions. The applicable withholding tax rate will vary depending on the type of distribution, the non-resident investor's country of residence and whether Australia has a double tax treaty with that country. Under the AMIT regime, if the taxable components attributed to a foreign resident investor exceed the distributions made, then the trustee of the relevant Fund will be required to pay tax on behalf of the foreign resident investor on that excess. In this case, Franklin Templeton may deduct amounts on account of such taxes from amounts payable to the nonresident investor,

and may, if required, compulsorily redeem units to meet these tax liabilities.

COMMON REPORTING STANDARD

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) is a global standard for the collection, reporting and exchange of financial account information on foreign tax residents. The CRS tackles and deters cross-border tax evasion by establishing a common international standard for financial institutions to identify and report information about the financial accounts of foreign residents to their local tax authority and for tax authorities to exchange this information. Under Australian legislation implementing the CRS, banks and other financial institutions will collect and report to the ATO, financial account information of non-residents. The ATO will exchange this information with the participating foreign tax authorities of those non-residents.

The Australian CRS implementing legislation applies from 1 July 2017. The first exchange of information occurred in 2018. This legislation requires certain Australian financial institutions to conduct due diligence and collect certain information from

new and existing investors. We may request that you provide certain information about yourself and (where you are an entity) your controlling persons in order for us to comply with our CRS obligations.

Subject to law, we may delay or refuse to accept an application (and return any monies received with the application without interest) where there is a delay or failure to produce the required information. Alternately we may be required to treat the applicant, or unitholder, as reportable to the appropriate governmental agency(s). By applying to invest in the Fund, you warrant that you, your agent, or your nominated representative will provide us with all additional information and assistance that may be requested in order to comply with our ongoing obligations under any CRS laws.

HOW TO APPLY

Please note: This should be read in conjunction with Section 8 of the Fund PDS

NEW ZEALAND INVESTORS

If you are considering investing in the Funds from New Zealand, you should contact your financial adviser for further information.

COOLING-OFF PERIOD

Subject to applicable law, retail investors have a right to a cooling-off period relating to their investment, except for investments made under distribution reinvestment plans or other additional investment arrangements. There may be other circumstances in which a retail investor is not entitled to exercise cooling-off rights. For instance, if the Funds are not liquid at the time an investment is made.

For direct retail investors only, your cooling-off rights are described below.

Immediately following the earlier of the date on which you receive confirmation of your investment or the 5th Business Day after the day on which your units were issued to you, there is a 14-day period during which you may cancel your investment (subject to applicable law).

Should you choose to cancel your investment during this period,

the amount returned to you will be adjusted to take account of any movements in the unit price since the day on which you acquired the investment. The cancellation of your investment will be processed at the price that you would have paid for your investment on the date your request is received. We may deduct from the amount returned to you any reasonable administrative and transaction costs and tax paid or payable because of the issue, and cancellation, of your investment.

If a distribution has occurred between acceptance of your application and receipt of your cooling-off period notification, there may be taxation implications for you. We suggest that you seek professional taxation advice in these circumstances.

Investors investing through a Master Trust or Wrap Service have no cooling-off rights as they have not acquired a direct interest in the Fund. You should contact your Master Trust or Wrap Service Operator to find out what your cooling-off rights are.

If you wish to cancel your investment during the cooling-off period, you need to inform us in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in a Fund).

This notification should be sent to Link at the address below:

Link Market Services Limited
Locked Bag 5038
Parramatta NSW 2124
Attention: MFO Registry Operations

Should you have any questions regarding our cooling-off policy, please contact us on 1800 673 776.

ENQUIRIES AND COMPLAINTS

We have established procedures for dealing with complaints. If you have invested via a Master Trust or Wrap Service and have a concern, you should first contact the Operator of the Master Trust or Wrap Service through which you invested in the Fund. The Operator will handle your complaint in accordance with its complaint handling procedures and may, in accordance with those procedures, refer the complaint to us.

If you have an inquiry or complaint, you can either phone us on 1800 673 776 during business hours or write to:

Attention: Complaints Officer
Franklin Templeton Australia
GPO Box 24011
Melbourne VIC 3001

Your written complaint will be acknowledged within five Business Days, and we will make every effort to resolve your issues within 30 days of being notified.

If any complaint remains unresolved after 30 days or the issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (**AFCA**). AFCA provides a fair and independent financial complaint resolution service that is free to consumers.

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678 (free call)
In writing to: Australian Financial Complaints Authority,
Authority GPO Box 3, Melbourne VIC 3001

We note that AFCA is not available to New Zealand investors. Should you have any questions regarding our complaints resolution policy or wish to lodge a complaint, please call 1800 673 776.

OTHER IMPORTANT INFORMATION

Please note: This should be read in conjunction with Section 9 of the Fund PDS

REPORTING

ClearBridge will confirm transactions to Unit holders in the Funds and provide monthly reporting that documents the Units issued and/or redeemed over the month and the balance of Units held. Monthly reporting that includes performance and market commentary will be made available on the ClearBridge website at www.clearbridgeinvestments.com.au. Audited accounts for the Funds will also be made available on ClearBridge's website. Unit holders may also request to receive copies of the accounts by mail. Unit holders will receive other information as required under the Corporations Act for each financial year.

ABOUT THE FUNDS' CONSTITUTIONS

Each Fund was established under a Constitution. Together with the Disclosure Documents, this AIB and certain laws (including the Corporations Act and Corporations Regulations 2001), the Constitution governs our relationship with you.

The Constitution deals with, amongst other things:

- The conditions under which the relevant Fund operates
- The rights, responsibilities and duties of the Responsible Entity and investors
- Fees and expenses
- Termination of the relevant Fund.

Subject to the Fund's Constitution and the law, your liability is limited to the amount (if any) which remains unpaid for your units. However, higher courts have not finally determined the extent of liability of investors in managed investment schemes.

Subject to the Corporations Act, the Constitution limits our need to compensate you if things go wrong. Generally, if we comply with our duties as Responsible Entity of the Funds, then we do not need to compensate investors for any loss suffered in relation to the Funds.

We may amend the Constitutions if we, as the Responsible Entity, reasonably consider that the amendment will not adversely affect investors' rights. Otherwise, we must obtain the approval of investors (by special resolution) to make changes to the Constitution at a meeting of investors.

You may obtain a copy of the Constitutions free of charge by phoning, emailing or writing to the ClearBridge Client Service Team.

If you are investing through a Master Trust or Wrap Service, the Constitutions will not govern our relationship with you.

PRIVACY

By completing an Application Form, you are providing personal information to us which we will collect for the primary purpose of providing this product to you. We may use the personal information in your Application Form for a number of related purposes, including processing your application, administration and management of your investment in the Fund and to comply with applicable laws and regulations such as Australian taxation laws, the Corporations Act, FATCA IGA and the AML/CTF Act. We may also collect your information if the law requires or if you consent, for example, in an Application Form.

We may disclose your personal information to:

- Our service providers, related bodies corporate and affiliates or other third parties for the purpose of account maintenance, administration and the production and emailing/ mailing of statements, amongst other operational activities
- To improve customer service, and/or allow our associated organisations and selected third parties to promote their products and services to customers
- Anyone else to whom you authorise us to disclose it
- Anyone else where authorised by law or regulation.

If your details are incorrect, please contact the ClearBridge Client Service Team so we can correct them. You are able to access the personal information that we hold about you. Please contact our Privacy Officer on 1800 673 776.

You may choose not to complete all items on the Application Form. If you do not complete the Application Form in full, we may not accept your application. Further, depending on the type of information you withhold, we may not be able to process or administer your requested investment or pay income into your bank account. The consequences of not providing your Tax File Number or Australian Business Number (or exemption) are noted in the Application Forms.

Our Privacy Policy (available at www.franklintempleton.com.au) also describes:

- How you can access your personal information and seek its correction
- How you may complain about a breach of the Australian Privacy Principles
- How such a complaint will be handled.

APPOINTMENT OF AUTHORISED NOMINEE

A person, partnership or company may be appointed as an investor's authorised nominee by having the relevant section of the Application Form executed. The authorised nominee (if it is a company or partnership, including any person we reasonably believe is an authorised officer or partner) may provide investment instructions in respect of the Fund, prepare, sign and provide requests to redeem units, advise of changes to your details in respect of your investment and obtain information about your investments. This appointment can be cancelled at any time by notice in writing to us. All joint unitholders must sign the appointment or cancellation.

By appointing an authorised nominee, the investor:

- Releases, discharges and agrees to indemnify us, ClearBridge, JPMorgan, Link and the Fund from and against any and all losses, liabilities, actions, proceedings, accounts, claims and demands (including legal and client costs) arising from the fraud, negligence or appointment of or purported exercise of powers by the authorised nominee or in connection with the use of the facility
- Agrees that a payment or purported payment (the **payment**) made in accordance with the requests or instructions of the authorised nominee shall be in complete satisfaction of our obligations, to the extent of the payment, notwithstanding any fact or circumstance including that the payment was requested, made or received without the investor's knowledge or authority
- Agrees that if payment is made in accordance with the request or instructions of the authorised nominee, the investor shall have no claim against us, in relation to the payment.

Please contact the ClearBridge Client Service Team for further information on requirements for nominees and custodians.

IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS

Part 1: General warning statement to accompany offer documents¹

Warning statement:

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Part 2: Additional warning statement where the offer involves payments that are not in New Zealand dollars

Additional warning statement: currency exchange risk

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

¹ Schedule 25 of the FMC Regulations

Part 3: Additional warning statement where the offer involves financial products able to be traded on a financial product market

Additional warning statement: trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Part 4: Additional warning statement where the offer is of interests in an Australian registered scheme and any dispute resolution process described in the offer document is not available in New Zealand

Additional warning statement: dispute resolution process

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

We only provide factual information to New Zealand investors and not advice. We do not provide any recommendations or opinions in relation to acquiring or disposing of units in the Funds or express any view on the merits of investing in the Funds. By investing in a Fund, you acknowledge that no advice is, has been, or will be given by us.

GENERAL

During the currency of your investment, copies of the relevant Constitution may be obtained free of charge upon request.

DEFINITIONS

“**Application Price**” means the price at which Units are issued. The method for determining the Application Price is described in the “How the Fund works” section of the relevant PDS.

“**Business Day**” means a day that is not a Saturday, a Sunday, a public holiday or bank holiday in New South Wales.

“**Constitution**” is a legally enforceable document between the Responsible Entity and Unit holders that sets out some or all of the rights, duties and liabilities of the Responsible Entity in its operation of the Fund.

“**Corporations Act**” means the *Corporations Act 2001* (Cth).

“**Net Asset Value**” or “**NAV**” means the aggregate of the value of the assets of the Fund determined in accordance with the Constitution, less all liabilities of the Fund.

“**Redemption Price**” has the same meaning as “Withdrawal Price”.

“**Retail Client**” or “**Retail Investor**” is an investor that does not satisfy one of the requirements to be classified as a wholesale client.

“**RITCs**” means reduced input tax credits.

“**Withdrawal Price**” means the price at which Units are redeemed. The method for determining the Withdrawal price is described in the “How the Fund works” section of the relevant PDS.

“**Units**” means units in the Fund.

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