

Magellan Global Equities Fund (Currency Hedged)

ARSN 606 840 206

ASX code: MHG

Frequently Asked Questions

1 What is the Magellan Global Equities Fund (Currency Hedged)?

The Magellan Global Equities Fund (Currency Hedged) ("Fund") is a currency hedged version of the Magellan Global Equities Fund (ASX: MGE). Both MGE and the Fund share the same portfolio, portfolio manager and investment strategy.

2 Why did Magellan decide to launch the Magellan Global Equities Fund (Currency Hedged)?

This is the second Exchange Quoted Managed Fund launched by Magellan Asset Management Limited. It follows the success of MGE which was launched in March 2015. The aim is to provide investors access to a currency hedged version of Magellan's Global Equities Strategy via the ASX.

3 What tools are used to hedge currency?

The Fund will predominantly use forward foreign exchange contracts to substantially hedge the capital component of the foreign currency exposure of the Fund back to Australian Dollars. These are the same tools used to mitigate currency risk in the unlisted Magellan Global Fund (Hedged) since it launched in July 2013.

4 Is the Magellan Global Equities Fund (Currency Hedged) fee structure in line with that of the other Magellan global funds?

Yes, the Magellan Global Fund, the Magellan Global Fund (Hedged), the Magellan Global Equities Fund and the Magellan Global Equities Fund (Currency Hedged) all share the same fee structure including the performance fee.

5 Are there any other costs associated with the Magellan Global Equities Fund (Currency Hedged)?

Transaction costs, including those relating to foreign currency hedging are payable by the Fund. Investors will incur customary brokerage fees and commissions when buying and selling units on the ASX market. These fees are paid to the stockbroker, not the fund. Investors should consult their stockbroker for more information in relation to their fees and charges.

6 Are Magellan's unlisted funds and ASX quoted funds fungible (interchangeable)?

No. They are not fungible as they are separate trust vehicles. If you would like to switch funds, you will need to redeem from the unlisted funds and then buy into the ASX quoted funds via your stockbroker.

7 Will there be a performance dispersion between the unlisted Magellan Global Fund (Hedged) and the ASX quoted Magellan Global Equities Fund (Currency Hedged)?

Both funds should generate similar performance as they are modelled on the same underlying portfolio and investment management process. There may be differences created by the fact that the Fund acts as the market maker.

8 At what price will investors be buying or selling the Magellan Global Equities Fund (Currency Hedged)?

Pricing will be live and market-based. The Fund, being the market maker, will generally provide a tight and tradeable bid/offer spread, which takes into consideration relevant market conditions.

9 Does the currency hedging add any additional risk within the market making process?

No, the currency hedging is designed to assist in reducing the market risk arising from movements in foreign currency rates. Please refer to the PDS regarding specific risks.

10 How liquid is the Magellan Global Equities Fund (Currency Hedged)?

The Fund itself is the market maker and has the ability to provide liquidity. This reflects the open-ended nature of the Fund and its inherent ability to create and redeem units. Magellan Financial Group Limited is also seeding the Fund with A\$15 million at inception to provide the Fund with some scale. Other participants in the secondary market should also provide liquidity as the Fund grows in size.

11 What disclosure is being provided on the Magellan Global Equities Fund (Currency Hedged)?

Disclosure includes:

- Estimated NAV announced daily
- iNAV updated at regular intervals throughout the ASX trading day
- Monthly fund update, quarterly fund update, half yearly investor report and an annual investor report
- Disclosure of portfolio stocks by name and weight quarterly with a delay period of no more than 2 months
- Monthly redemptions information required by the ASX

12 How do I trade?

To buy or sell units in the Magellan Global Equities Fund (Currency Hedged), firstly read the PDS to make sure you understand the product. Units in the Fund can then be transacted in the same way as securities listed on the ASX and settled via CHESS.

Note: Units cannot be bought or sold directly through Magellan.

13 How can I access information via various service providers?

Information about the fund is available via the following service provider platforms.

Service Provider	Fund Ticker	iNAV Ticker
Bloomberg	MHG AU Equity	MHGIV Index
Thomson Reuters	MHG.AX	MHGin.IDCC
Iress	MHG.AXW	MHGNAV.EFT

14 What is the minimum initial investment?

There is no minimum investment.

15 What paperwork is required to trade the Magellan Global Equities Fund (Currency Hedged)?

No paperwork is required to trade if you have a stockbroking account.

16 How is the Magellan Global Equities Fund (Currency Hedged) taxed?

The Fund is a trust structure and therefore does not generally pay tax. For further information you will need to contact your tax accountant as advice needs to be tailored to your personal situation.

17 Where can I find more information on the Magellan Global Equities Fund (Currency Hedged)?

More information about the Fund can be found on our website: www.magellangroup.com.au

18 Where do I direct inquiries about my holding in the Magellan Global Equities Fund (Currency Hedged)?

Link Market Services is the registrar of the Fund. All enquiries regarding holdings in the Fund should be directed to:

Phone: 1300 554 474

Email: registrars@linkmarketservices.com.au