MACQUARIE

Macquarie Professional Series Global Alternatives Fund

Supplement – Information on underlying funds

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Macquarie Investment Management Australia Limited
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Contents

IMPORTANT INFORMATION

This document is a supplement to the PDS (**Supplement**) for the Macquarie Professional Series Global Alternatives Fund (**Fund**). The Supplement sets out certain information relating to the underlying funds in which the Fund may be invested from time to time. The Supplement forms part of the PDS and you should read this Supplement with the PDS before making a decision to invest in the Fund.

The information in the PDS and this Supplement may change from time to time. Where the information in the PDS and this Supplement changes, and such change is not materially adverse to you, we may update the information by publishing an update at **macquarie.com.au/pds**. You can access a copy of the latest version of the PDS, this Supplement and any updated information free of charge from our website or by contacting us.

The information provided in the PDS and this Supplement is general information only, and does not take account of your personal financial situation or needs. You should obtain your own financial advice tailored to your personal circumstances.

Capitalised terms used and not defined in this Supplement have the meaning given to them in the PDS.

Investments in the Fund are subject to investment risk

Other than Macquarie Bank Limited (**MBL**), none of the entities noted in this document are authorised deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities, unless noted otherwise.

The offer

This offer is only open to persons receiving the PDS and this Supplement within Australia and New Zealand or any other jurisdiction approved by us. Unless otherwise stated all references to 'dollars' or '$' herein refer to Australian dollars.

No offering to United States persons

Without limiting the above, the offer is only open to persons who are:

a) not a 'U.S. person' for the purposes of Regulation S under the U.S. Securities Act of 1933, and
b) a 'Non-United States person' as defined in Section 4.7(a)(1)(iv) of the rules of the U.S. Commodity Futures Trading Commission.

If you are not an eligible investor as defined above, we reserve the right to compulsorily redeem your unitholding in the Fund.

Warning statement for New Zealand investors

a) The 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 2001 and Regulations. In New Zealand, this is Part 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
b) The offer and the content of the PDS is principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and regulations made under that Act set out how the offer must be made.
c) There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
d) 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.
e) Both the Australian and New Zealand securities 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.
f) The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
g) If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.
h) 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.
i) 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.*
j) The dispute resolution process described in the PDS is only available in Australia and is not available in New Zealand.
k) 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.

* Redemptions and distributions of income will only be paid in Australian dollars to an Australian bank account.

Macquarie Professional Series Global Alternatives Fund

The Macquarie Professional Series Global Alternatives Fund, a 'fund of hedge funds' for the purposes of Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 240, provides exposure to a portfolio of specialised hedge funds which form part of the Macquarie Professional Series (each an **'Underlying Fund**').

As at the date of this PDS, the Underlying Funds are:

- IPM Global Macro Fund
- P/E Global FX Alpha Fund, and
- Winton Global Alpha Fund.

The PDS for the Fund and each Underlying Fund are available at **macquarie.com.au/pds**.

The following pages set out the disclosure that ASIC requires responsible entities of fund of hedge funds to provide on their significant underlying funds. A copy of ASIC Regulatory Guide 240 dated October 2013 (as may be amended, supplemented or replaced from time to time) is available from www.asic.gov.au.

1 IPM Global Macro Fund

Benchmarks

Valuation of non-exchange traded assets

This benchmark addresses whether valuations of the Underlying Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider. The Underlying Fund's non-exchange traded assets are over-the-counter foreign exchange forwards, which are typically valued by Macquarie based on independent sources of exchange rate data published by third party providers, and cash, which is valued at face value with the addition of accrued interest. Therefore, the benchmark is not met.

Macquarie has expertise and experience in financial risk modelling and valuing financial products and other assets types, including non-exchange traded assets. Macquarie has in place valuation methods and policies which describe how non-exchange traded assets and liabilities are to be classified and the methodology to be used to value those assets and liabilities. These methods and policies are consistent with acceptable industry standards. Given that the valuations are based on independent sources of exchange rate data and the risk controls in place, we do not believe that Macquarie performing the valuation results, in any material increase, in risk to investors.

Periodic reporting

This benchmark addresses whether the responsible entity of the Underlying Fund provides periodic disclosure of certain key information on an annual and monthly basis.

! Refer to the table in the 'Macquarie Professional Series Global Alternatives Fund at a glance' section of the PDS for the periodic disclosure of certain key information that will be provided on an annual and monthly basis for the Fund and the Underlying Fund, and whether each meets the benchmark.

Disclosure Principle 1: Investment strategy

Investment strategy and typical asset classes

The Underlying Fund aims to generate long-term absolute returns by investing in exchange-traded government bond, equity index and equity volatility index futures contracts, and over-the-counter foreign exchange forward contracts (**OTC FX forwards**) providing exposure to developed market and emerging market currencies. The Underlying Fund may also gain exposure to currencies by investing in currency futures.

The Underlying Fund holds both long and short positions in futures and OTC FX forwards. The Underlying Fund will also hold cash and cash equivalents.

IPM's investment process involves the use of models to determine the positions held by the Underlying Fund. The models are based on economic theory and rely on the belief that asset prices fluctuate around the true fundamental value of financial assets. The implementation of the investment process is systematic, which means that the vast majority of the Underlying Fund's portfolio exposures are based on the output of the model.

The process, in constructing a diversified portfolio, has its starting point in the evaluation of investment opportunities grouped under the following investment themes.

- **Value** – Identifies and takes positions against discrepancies between observed prices and longer term intrinsic value.
- **Risk premia** – Identifies opportunities for compensation for accepting risk resulting from investors having different risk preferences and the assumption that these preferences do not change over time.
- **Macroeconomic** – Identifies shifts in global economic activity and takes forward-looking positions to profit from the expected market adjustment.
- **Market dynamics** – Each market has its own set of specific characteristics which offer opportunities (for example, investment flows, volatility of interest rate curves).

  Once individual investment opportunities have been evaluated, IPM aggregates all the investment ideas within each of the five portfolios, which make up a broader portfolio, consisting of four relative value and one directional portfolios.
- **Relative value portfolios** – These are segregated into four asset classes (developed market and emerging market currencies, government bonds and equity indices).
  - Each underlying asset is evaluated against an equally weighted basket of assets within that portfolio to establish long or short positions.
  - The aggregate of the long and short positions are expected to remain neutral; that is, the sum of net market exposures are targeted to be zero.
- **Directional portfolio**
  - This may include any of the four asset classes (developed market and emerging market currencies, government bonds, equity volatility indices and equity indices).
  - Unlike the relative value portfolios, this portfolio will take long or short positions across an asset class based on the model's prediction that the asset class (or certain features of the asset class) will rise or fall in value.

! Refer to Section 2.2 of the Underlying Fund's PDS for more information on the investment strategy and process.

Currency denomination and location of the assets

The Underlying Fund may invest in any futures markets globally. The futures, OTC FX forwards and underlying assets may be located in any jurisdiction worldwide and denominated in any currency. The futures and OTC FX forwards held by the Underlying Fund are generally not denominated in Australian dollars. The Underlying Fund may invest in any developed market and emerging market currencies.

The cash holdings of the Underlying Fund, in excess of margin requirements, will generally be denominated in Australian dollars. The cash posted with counterparties or exchanges as margin against the Underlying Fund's futures or OTC FX forwards may be denominated in any currency.

Key assumptions and dependencies of the investment strategy

The ability of the investment strategy to produce investment returns will depend on a number of factors, including without limitation, the success of IPM's proprietary investment models ability to evaluate the relative attractiveness of each underlying asset based on fundamentals such as supply and demand, and the macroeconomic environment impact on the asset price, and exploiting the difference as seen in asset prices between the fundamental value and market value. The Underlying Fund is also likely to perform better when the market participants' are more focused on fundamental data as opposed to speculation around interventions from central banks and governments and in markets that have minimal intervention from central banks and governments. There is no guarantee that the Underlying Fund will achieve its performance objectives, or produce returns that are positive or compare favourably against its peers.

Investment limits and guidelines

The Underlying Fund invests in futures and OTC FX forwards. The Underlying Fund also holds cash and cash equivalents. The Underlying Fund has indirect exposure, through derivatives contracts, to:

- Australian listed equities
- Australian government bonds
- International listed equities
- Equity volatility indices
- International government bonds, and
- Developed market and emerging market currencies.

The Underlying Fund has limits on its exposure to each underlying asset class as shown in the table below.[1]

	Maximum total gross exposure for each asset class (% of the Underlying Fund's net asset value)	Individual contract exposure limits within each asset class (% of the Underlying Fund's net asset value)	Global net (directional)[2] exposure limits for each asset class (% of the Underlying Fund's net asset value)
Developed market currencies	675	+/- 100	+/- 30
Emerging market currencies	125	+/- 25	+/- 30
Government bonds	1,700	+/- 300	+/- 515
Equity indices	225	+/- 25	+/- 50
Equity volatility indices	3.5	+/- 3.5	+/- 3.5

1 Some or all of the Underlying Fund's foreign currency exposure may be hedged back to Australian dollars by IPM using instruments such as spot foreign exchange contracts and foreign exchange derivatives. Currency exposure obtained by the Underlying Fund as part of these hedging activities will not count towards the exposure limits in the table above.

2 Refers to the directional portfolio held by the Underlying Fund as part of its broader portfolio of futures and OTC FX forwards. Refer to Section 2.2 of the Underlying Fund's PDS for a description of the directional portfolio.

The Underlying Fund's excess cash will be held in bank accounts with Australian authorised deposit-taking institutions, or such other cash or cash equivalent investments as determined by the cash manager of the Underlying Manager. The margin is held with Morgan Stanley & Co. International plc (the Underlying Fund's futures clearing broker and OTC FX forwards prime broker), futures exchange or Citi (the Underlying Fund's custodian).

Risk management processes employed by IPM

IPM assesses and manages risk in three ways in connection with its management of the derivatives exposure of the Underlying Fund.

1. Embedded risk filters

Risk management is embedded into the investment process. As part of the process of aggregating all of the investment ideas generated by IPM's models, groups of ideas in aggregation pass through a sequence of risk filters. The filters are intended to seek diversification in the portfolio to mitigate potential downside.

2. Strategic risk allocation

Part of the construction process for the Underlying Fund's portfolio is the strategic risk allocation between the five sub-portfolios. For this purpose, IPM applies a proprietary statistical risk optimisation process designed to avoid excessive risk allocation to portfolios that are, relatively speaking, more likely to exhibit larger losses (potentially simultaneously as one or more other portfolios). As such, the Underlying Fund targets a specific risk allocation expressed on a relative basis per portfolio.

3. Risk on a trading level

Risk, on a trading level, is targeted at a predetermined annualised volatility; however, the volatility of the Underlying Fund should be expected to fluctuate depending on general market volatility and the perceived opportunity set. Volatility is measured using standard deviation.

Disclosure Principle 2: Investment manager

The investment manager

IPM Informed Portfolio Management AB (**IPM**) has been appointed to manage the Fund's futures and over-the-counter foreign exchange forwards contracts exposure on a discretionary basis. IPM, founded in 1998 and based in Sweden, is a systematic investment manager offering macro and equity portfolio solutions to investors globally. IPM has been registered as a regulated investment firm with the Swedish Financial Supervisory Authority since 2002. IPM is also registered as a commodity trading adviser and commodity pool operator with the US Commodity Futures Trading Commission and is a member of the National Futures Association in such capacities.

The Investment Manager of the Fund, Macquarie Investment Management Global Limited, also acts as the cash manager of the Underlying Fund, managing the cash investments held by the Underlying Fund in excess of the margin requirements.

Key individuals

IPM's strategy is systematic and does not have any one person who has discretionary decision-making responsibilities. 'Systematic' in this context means that the vast majority of the portfolio exposures are based on the forecasts generated by IPM's systems, other than in rare instances where IPM deems the circumstances to be exceptional.

The following provides details of the identity, relevant qualifications and commercial experience of the key individuals of IPM. The individuals noted below are ultimately responsible for the oversight of IPM's investment activities for the Underlying Fund and will devote as much as time as IPM deems necessary or appropriate in order to manage the Underlying Fund's futures and OTC FX forwards exposure.

Björn Österberg – Managing Director, Chief Investment Officer and Head of Research

Björn Österberg is responsible for the management and development of IPM's investment activities. He is a member of the executive, investment and risk management committees. Björn joined IPM in 2008, with extensive experience in managing quantitative research teams as well as in proprietary trading in a range of asset classes. Prior to IPM, he was Head of Quantitative Research and a member of the proprietary trading team at JP Bank, Head of Quantitative Research at Unibank/Nordea, and a Senior Equity Portfolio Manager at AP4. Björn holds a Masters of Science in Engineering Physics from the Royal Institute of Technology in Stockholm, and has several years of additional studies in both financial economics and macro economics from Stockholm University.

Mattias Jansson – Executive Director, Deputy Head of Research

Mattias Jansson joined IPM in 2005 and has been extensively involved in the research and development of IPM's strategies. His first years were spent at the research department where he worked closely with the advisory board on risk allocation issues and developing the novel approach still in place today in IPM's strategy. Mattias worked on the trading desk between 2007 and 2009, where he gained an in-depth practical understanding of financial markets. After which, he has been fully dedicated to research. Mattias holds a Masters of Science in Engineering Physics from the Royal Institute of Technology in Stockholm.

As at the date of this PDS, there have been no adverse regulatory findings against IPM or the key individuals responsible for the oversight of IPM's investment activities for the Underlying Fund.

Investment management agreement between Macquarie and IPM

The rights and obligations of each of Macquarie and IPM are set out in the terms of an investment management agreement which has been negotiated on an arm's length basis. There are no unusual or materially onerous terms (from an investor's perspective) in the investment management agreement.

Under the investment management agreement between Macquarie and IPM, Macquarie may terminate the appointment of IPM as the investment manager of the Underlying Fund in the following circumstances:

- three months' written notice to IPM, and
- upon the occurrence of certain 'default' events including, but not limited to, a change of control of IPM, liquidation or insolvency of IPM, IPM ceasing to carry on business, a key person event or breach of a material provision or warranty, representation or undertaking of the agreement that has not been remedied within ten business days of us asking IPM to do so.

On termination, IPM will generally be entitled to receive any accrued fees and expenses incurred in respect of the period to termination. Other than any accrued fees and expenses payable, there are no other payment obligations on termination of the investment management agreement by Macquarie.

Disclosure Principle 3: Fund structure

The Underlying Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Macquarie is the responsible entity of the Underlying Fund and is responsible for operating the Underlying Fund in accordance with the Underlying Fund's constitution, and the Corporations Act.

The key service providers to the Underlying Fund are:

- the investment manager of the Underlying Fund, IPM Informed Portfolio Management AB, registered as a regulated investment firm with the Swedish Financial Supervisory Authority
- the cash manager of the Underlying Fund, Macquarie Investment Management Global Limited, a company incorporated under the laws of Australia
- the custodian of the Underlying Fund, Citi, a company incorporated under the laws of Australia
- the futures clearing broker and OTC FX forwards prime broker for the Underlying Fund, Morgan Stanley & Co.

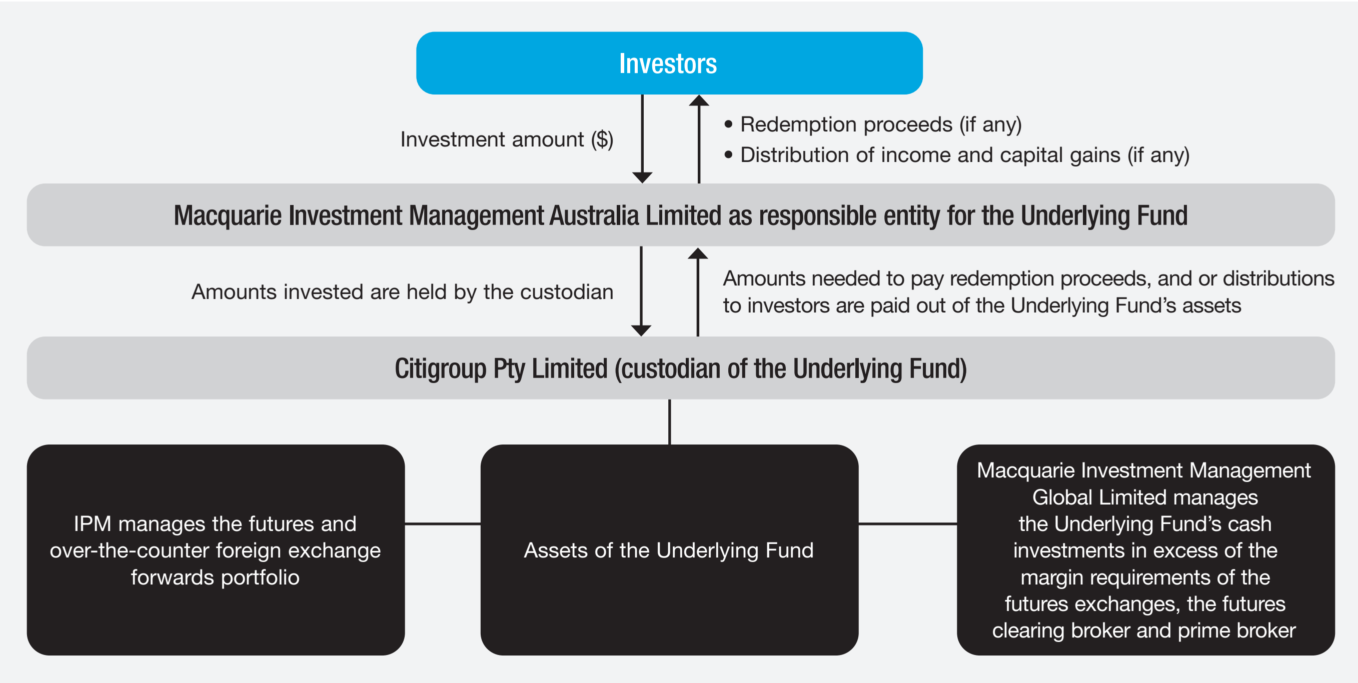
International plc, a company incorporated under the laws of England and is authorised by the UK Prudential Regulation Authority (**PRA**) and regulated by the UK Financial Conduct Authority and the PRA, and

- the auditor of the Underlying Fund, Ernst & Young Australia.

For more information on the key service providers, please refer to Section 1 of the Underlying Fund's PDS.

Macquarie and the cash manager of the Underlying Fund, both part of Macquarie Group, are related corporations.

The diagram below shows the flow of investment money through the structure of the Underlying Fund.



Disclosure Principle 4: Valuation, location and custody of assets

The Underlying Fund's assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type and in accordance with industry standards. Futures are generally valued by reference to the exchange settlement price. Cash and cash equivalents are valued at their face value with the addition of accrued interest.

The Underlying Fund's non-exchange traded assets are OTC FX forwards, which are typically valued by Macquarie based on independent sources of exchange rate data published by third party providers (for example, the Reuters London 4pm Fixing),and cash and cash equivalents.

Citi has been appointed as the custodian of the Underlying Fund. However, the futures and OTC FX forwards contracts and the majority of the Underlying Fund's cash, are held by Macquarie in its capacity as the responsible entity of the Underlying Fund.

Please refer to Disclosure Principle 1 above for information on the location of the assets of the Underlying Fund.

Disclosure Principle 5: Liquidity

As at the date of this Supplement, Macquarie reasonably expects to be able to realise at least 80% of the Underlying Fund's assets, at the value ascribed to those assets in calculating the Underlying Fund's net asset value, within ten days.

Disclosure Principle 6: Leverage

The Underlying Fund uses leverage, which is inherent in futures and OTC FX forwards contracts, to implement the investment strategy although it does not physically borrow to leverage.

Leverage generally provides a much larger exposure to the underlying assets with a relatively small initial outlay. The Underlying Fund, therefore, will often have a gross market exposure (the sum of the combined market exposures of its long and short futures and OTC FX forwards positions) in excess of 100% of the net asset value of the Underlying Fund. While the use of leverage may increase the potential return on an investment in the Underlying Fund, it also increases the level of risk and may also result in substantial losses being incurred by the Underlying Fund.

The Underlying Fund has a gross maximum anticipated leverage, or maximum anticipated gross market exposure to derivatives, of 18 times of the net asset value of the Underlying Fund and a maximum allowable leverage, or maximum allowable gross market exposure to derivatives, of 18.5 times of the net asset value of the Underlying Fund.

As at the date of this Supplement, the investment strategy that IPM is implementing for the Underlying Fund has historically averaged a leverage of approximately 8 to 10 times the net asset value of the Underlying Fund. There is no guarantee that historical levels of leverage will continue.

IPM applies limits to manage the Underlying Fund's futures and OTC FX forwards investments. Refer to 'Investment limits and guidelines' in Disclosure Principle 4 above.

Assets used as collateral

The initial margin and variation margin is collateral to cover the risk of default on the futures and/or OTC FX forwards contract. If the Underlying Fund's margin account goes below a certain value, then a margin call is made and the Underlying Fund must replenish the margin account. Calls for margin are expected to be paid on the same day. If not, the futures clearing broker, futures exchange or OTC FX forwards prime broker may terminate such futures and/ or OTC FX forwards contracts. Cash deposited as margin with the futures clearing broker, futures exchange or OTC FX forwards prime broker may be encumbered or exposed to set off rights in certain circumstances. For example, these parties may have rights to such collateral where an event of default occurs in relation to futures and/or OTC FX forwards trading undertaken on behalf of the Underlying Fund. Also, the claims against the collateral by third parties may be accelerated in the event of insolvency of Macquarie in certain circumstances.

Disclosure Principle 7: Derivatives

The use of derivatives (in this case, futures and OTC FX forwards) is key to the investment strategy of the Underlying Fund. The Underlying Fund takes long and short positions in exchange-traded futures and OTC FX forwards, which provide returns linked to the movements in the underlying assets.

All of the Underlying Fund's derivatives counterparties must, in IPM's reasonable opinion, meet specified credit criterion, and have sufficient expertise and experience in trading such financial instruments.

! Refer to Section 3 of the PDS for information on the risks associated with the use of derivatives.

Disclosure Principle 8: Short-selling

The Underlying Fund may hold short futures positions and OTC FX forwards although it does not engage in short-selling physical assets. In taking short positions, the Underlying Fund bears the risk of an increase in price of the underlying investment over which the short position is taken.

! Refer to Section 3 of the PDS for more information on the risks associated with short-selling and Disclosure Principle 1 above for details on how IPM manages the risks associated with the investment process generally (including short positions).

Benchmarks

Valuation of non-exchange traded assets

This benchmark addresses whether valuations of the Underlying Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider. This benchmark is not relevant to the Underlying Fund as all of its assets are either exchanged traded or cash.

Periodic reporting

This benchmark addresses whether the responsible entity of the Underlying Fund provides periodic disclosure of certain key information on an annual and monthly basis.

! Refer to the table in the 'Macquarie Professional Series Global Alternatives Fund at a glance' section of the PDS for the periodic disclosure of certain key information that will be provided on an annual and monthly basis for the Fund and the Underlying Fund, and whether each meets the benchmark.

Disclosure Principle 1: Investment strategy

Investment strategy and typical asset classes

The Underlying Fund aims to generate long-term total returns by investing in exchange-traded futures providing exposure to currencies and gold. The Underlying Fund holds both long and short positions in futures. The Underlying Fund also holds cash and cash equivalents.

P/E Global's investment process combines new and existing information in an adaptive framework to predict future currency and gold price movements. The strategy is based on P/E Global's belief that:

- fundamental factors drive currency exchange rates and gold prices
- the importance of each factor varies over time, and
- statistical analysis can provide an adaptive framework for understanding price movements in these markets.

P/E Global's investment process involves the use of a disciplined and dynamic quantitative model to determine the positions held by the Underlying Fund. The model relies on statistical analysis to forecast returns and volatilities for each position based on underlying fundamental factors identified by P/E Global. P/E Global defines fundamental factors as economic inputs which they believe drive price movements over time. These factors may include but are not limited to interest rates, inflation, credit spreads, and capital flows.

! Refer to Section 2.2 of the Underlying Fund's PDS for more information on the investment strategy and process.

Currency denomination and location of the assets

The Underlying Fund may invest in any futures market globally and may have exposure to gold and/or any developed market currency or emerging market currency selected by P/E Global and approved by Macquarie. The futures held by the Underlying Fund may be located in any jurisdiction worldwide and denominated in any currency. The futures are generally not denominated in Australian dollars.

The cash holdings of the Underlying Fund, in excess of margin requirements, will generally be denominated in Australian dollars. The cash posted with counterparties or exchanges as margin against the Underlying Fund may be denominated any currency.

Key assumptions and dependencies of the investment strategy

The ability of the investment strategy to produce investment returns will depend on a number of factors, including without limitation, the success of the investment process and the strength of the quantitative model. The Underlying Fund is also likely to perform better in markets that have minimal intervention from central banks and governments. There is no guarantee that the Underlying Fund will achieve its performance objectives, or produce returns that are positive or compare favourably against its peers.

Investment limits and guidelines

The Underlying Fund invests in currency and gold futures. The Underlying Fund also holds cash and cash equivalents. The Underlying Fund has indirect exposure to developed market currencies, emerging market currencies and gold through derivatives contracts.

There are no maximum or minimum percentage allocations to particular currencies or gold. The Underlying Fund can have exposure to a concentrated number of positions. Generally, the fewer positions which the Underlying Fund has exposure to, the greater the potential volatility of the Underlying Fund. A concentrated portfolio may result in large movements in the unit price of the Underlying Fund within a short period of time. The following limits apply to the Underlying Fund's futures investments.

- The maximum gross market exposure of the futures contracts of the Underlying Fund is 300% of the net asset value of the Underlying Fund (or three times the Underlying Fund's net asset value). There is no minimum gross market exposure to the futures contracts.
- A maximum of 10% of the Underlying Fund's net asset value will be committed as initial margin at any time.

The Underlying Fund's excess cash will be held in bank accounts with Australian authorised deposit-taking institutions, or such other cash or cash equivalent investments as determined by the cash manager of the Underlying Fund. The margin is held with the futures clearing broker or futures exchange.

These guidelines may change from time to time.

Risk management processes employed by P/E Global

P/E Global manages the futures exposure of the Underlying Fund to a predetermined target portfolio volatility, which is measured using standard deviation. In addition to standard deviation, P/E Global also manages portfolio market risk exposure by using a statistical technique to measure and to quantify the level of financial risk of the investment portfolio over a specific short timeframe. Other ways in which P/E Global may manage risk include:

- investing globally across liquid markets
- monitoring initial margin-to-equity and gross market exposures, and
- taking a mixture of long and short positions.

Disclosure Principle 2: Investment manager

The investment manager

P/E Global LLC (**P/E Global**) has been appointed to manage the Underlying Fund's futures exposure on a discretionary basis. P/E Global is a limited liability company, based in Boston Massachusetts, which provides investment advisory and discretionary portfolio management services to clients. P/E Global is registered with the U.S. Commodity Futures Trading Commission as a commodity pool operator and a commodity trading adviser and is a member of the National Futures Association. P/E Global is also registered as an investment adviser with the U.S. Securities and Exchange Commission, which does not imply any certain level of skill or training.

The Investment Manager of the Fund, Macquarie Investment Management Global Limited, also acts as the cash manager of the Underlying Fund, managing the cash investments held by the Underlying Fund in excess of the margin requirements.

Key individual

P/E Global's strategy is systematic and does not have any one person who has discretionary decision-making responsibilities. 'Systematic' in this context means that the vast majority of the portfolio exposures are based on the forecasts generated by P/E Global's quantitative models, other than in rare instances where P/E Global deems the circumstances to be exceptional.

The following provides details of the identity, relevant qualifications and commercial experience of the key individual of P/E Global. The individual noted below is ultimately responsible for the oversight of P/E Global's investment activities for the Underlying Fund and will devote as much time as P/E Global deems necessary or appropriate in order to manage the Underlying Fund's futures exposure.

Warren Naphtal – Founder and Chief Investment Officer

Warren Naphtal is the co-founder of P/E Global LLC. Warren has served as Chief Investment Officer of P/E Global and its affiliated companies since 1995. He has extensive experience in the portfolio management and securities trading fields. From 1993 to 1995, Warren was a Senior Vice President and Head of Derivative Strategies at Putnam Investments. He was also responsible for Putnam's commodity investments and foreign exchange overlay areas working extensively with core clients in the U.S. and Japan. Warren served on Putnam's Capital Market Committee, setting the firm's overall investment strategy and was a founding member of Putnam's Risk Management Committee. From 1989 to 1993, he was a Managing Director of Continental Bank, where his responsibilities included Head of Global Risk Management, Head of Proprietary Trading and Managing Partner of Cardinal Capital Management. From 1987 to 1989, Warren was a Vice President of Continental Bank, where he was responsible for Derivatives Trading. From 1985 to 1986, he traded equity options for O'Connor & Associates, a leading options trading concern that was subsequently acquired by Swiss Bank. Warren graduated from the MIT Sloan School of Management in Massachusetts in 1985, and the University of California, Berkeley where he received a Bachelor of Science in Civil Engineering in 1983.

As at the date of this Supplement, there have been no adverse regulatory findings against P/E Global or the key individual responsible for the oversight of P/E Global's investment activities for the Underlying Fund.

Investment management agreement between Macquarie and P/E Global

The rights and obligations of each of Macquarie and P/E Global are set out in the terms of an investment management agreement which has been negotiated on an arm's length basis. There are no unusual or materially onerous terms (from an investor's perspective) in the investment management agreement.

Under the investment management agreement between Macquarie and P/E Global, Macquarie may terminate the appointment of P/E Global as the investment manager of the Underlying Fund in the following circumstances:

- three months' written notice to P/E Global, and
- upon the occurrence of certain 'default' events including, but not limited to, a change of control of P/E Global, liquidation or insolvency of P/E Global, P/E Global no longer being capable of providing the services under the investment management agreement, a key person event or a material breach of the agreement that has not been remedied within 15 days of us asking P/E Global to do so.

On termination, P/E Global will generally be entitled to receive any accrued fees and expenses incurred in respect of the period to termination. Other than any accrued fees and expenses payable, there are no other payment obligations on termination of the investment management agreement by Macquarie.

Disclosure Principle 3: Fund structure

The Underlying Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Macquarie is the responsible entity of the Underlying Fund and is responsible for operating the Underlying Fund in accordance with the Underlying Fund's constitution, and the Corporations Act.

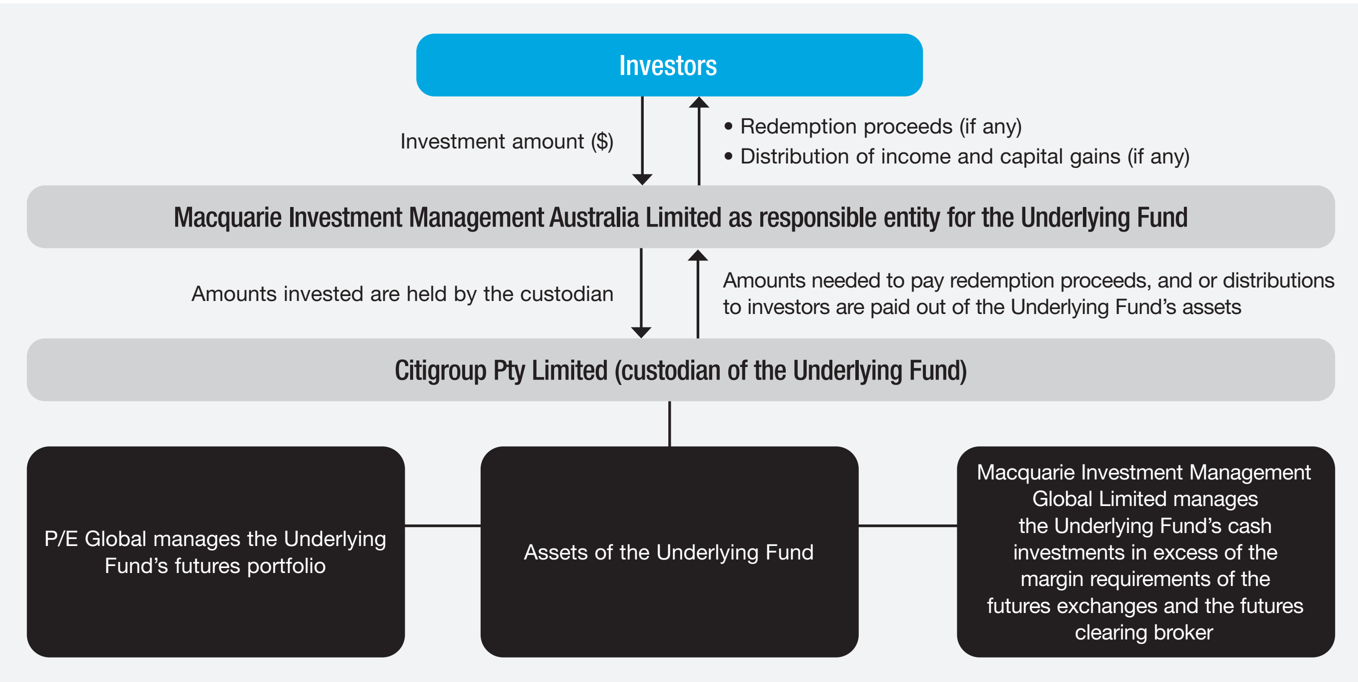
The key service providers to the Fund are:

- the investment manager of the Fund, P/E Global LLC
- the cash manager of the Underlying Fund, Macquarie Investment Management Global Limited, a company incorporated under the laws of Australia
- the custodian of the Underlying Fund, Citi, a company incorporated under the laws of Australia, and
- the auditor of the Underlying Fund, Ernst & Young Australia.

For more information on the key service providers, please refer to Section 1 of the Underlying Fund's PDS.

Macquarie and the cash manager of the Underlying Fund, both part of Macquarie Group, are related corporations.

The diagram below shows the flow of investment money through the structure of the Underlying Fund.



Disclosure Principle 4: Valuation, location and custody of assets

The Underlying Fund's assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type and in accordance with industry standards. Futures are generally valued by reference to the exchange settlement price. Cash is valued at its face value with the addition of accrued interest.

The Fund's assets, futures contracts and cash, are held by Macquarie as the responsible entity of the Fund. Citi has been appointed as the custodian of the Fund. However, as the Fund's assets are held by Macquarie, Citi's role is limited to providing services to the Fund in relation to some of the cash held by the Fund for day-to-day operational purposes (which is generally a small percentage of the Fund's total cash holdings).

! Please refer to Disclosure Principle 1 above for information on the location of the assets of the Underlying Fund.

Disclosure Principle 5: Liquidity

As at the date of this Supplement, Macquarie reasonably expects to be able to realise at least 80% of the Underlying Fund's assets, at the value ascribed to those assets in calculating the Underlying Fund's net asset value, within ten days.

Disclosure Principle 6: Leverage

The Underlying Fund uses leverage, which is inherent in futures contracts, to implement the investment strategy although it does not physically borrow to leverage. Leverage generally provides a much larger exposure to the underlying assets with a relatively small initial outlay. The Underlying Fund, therefore, may have gross market exposure (the sum of the combined market exposures of its long and short futures positions) in excess of 100% of the net asset value of the Underlying Fund. While the use of leverage may increase the potential return on an investment in the Underlying Fund, it also increases the level of risk and may also result in substantial losses being incurred by the Underlying Fund.

The maximum allowable leverage, or maximum gross market exposure, of the Underlying Fund is three (3) times the net asset value of the Underlying Fund.

Assets used as collateral

The initial margin and variation margin is collateral to cover the risk of default on the futures contract. If the Underlying Fund's margin account goes below a certain value, then a margin call is made and the Underlying Fund must replenish the margin account. Calls for margin are expected to be paid on the same day. If not, the futures clearing broker or futures exchange may terminate such futures contracts. Cash deposited as margin with the futures clearing broker or futures exchange may be encumbered or exposed to set off rights in certain circumstances. For example, the futures clearing broker may have rights to such collateral where an event of default occurs in relation to futures trading undertaken on behalf of the Underlying Fund. Also, the claims against the collateral by third parties may be accelerated in the event of insolvency of Macquarie in certain circumstances.

Disclosure Principle 7: Derivatives

The use of derivatives (in this case, limited to exchange-traded currency and gold futures) is key to the investment strategy of the Underlying Fund. The Underlying Fund takes both long and short positions in futures, which provide returns linked to the movements in the assets underlying the futures contracts.

All of the Underlying Fund's derivatives counterparties, being futures exchanges and futures brokers, must have, in P/E Global's reasonable opinion, sufficient expertise and experience in trading such financial instruments.

! Refer to Section 3 of the PDS for information on the risks associated with the use of derivatives.

Disclosure Principle 8: Short-selling

The Underlying Fund may hold short futures positions although it does not engage in short-selling physical assets. In taking short positions, the Underlying Fund bears the risk of an increase in price of the underlying asset over which the short position is taken.

! Refer to Section 3 of the PDS for more information on the risks associated with short-selling and Disclosure Principle 1 above for how P/E Global manages the risks associated with the investment process generally (including short positions).

3 Winton Global Alpha Fund

Benchmarks

Valuation of non-exchange traded assets

This benchmark addresses whether valuations of the Underlying Fund's non-exchange traded assets are provided by an independent administrator or an independent valuation service provider. The Underlying Fund's non-exchange traded assets are its interests in collective investment vehicles (**Underlying Winton Funds**) managed by Winton or its related bodies corporate, and the cash and cash equivalents that the Underlying Fund holds from time to time. The Underlying Fund does not meet this benchmark as we have not appointed an independent administrator or independent valuation service provider to value the Underlying Fund's non-exchange traded assets. However:

- Macquarie relies on valuation information from the administrators of the Underlying Winton Funds, who are independent of Macquarie and Winton, to value the Underlying Fund's interests in the Underlying Winton Funds, and
- Macquarie has expertise and experience in financial risk modelling and valuing financial products and other asset types, including non-exchange traded assets. Macquarie has in place valuation methods and policies which describe how non-exchange traded assets and liabilities are to be classified and the methodology to be used to value those assets and liabilities. These methods and policies are consistent with acceptable industry standards.

Periodic reporting

This benchmark addresses whether the responsible entity of the Underlying Fund provides periodic disclosure of certain key information on an annual and monthly basis.

Refer to the table in the 'Macquarie Professional Series Global Alternatives Fund at a glance' section of the PDS for the periodic disclosure of certain key information that will be provided on an annual and monthly basis for the Fund and the Underlying Fund, and whether each meets the benchmark.

Disclosure Principle 1: Investment strategy

Investment strategy and typical asset classes

The Underlying Fund aims to generate long-term total returns by investing in exchange-traded futures contracts, exchange-traded forward contracts and collective investment vehicles (**Underlying Winton Funds**) managed by Winton or its related bodies corporate that provide exposure to underlying investments such as equities, fixed income, interest rates, currencies and commodities. The Underlying Fund directly holds both long and short positions in futures. The Underlying Fund may also hold cash and cash equivalents.

The Underlying Winton Funds may invest in, without limitation, fixed income securities and a range of derivative instruments and may invest in equity securities (which may include common stocks of companies of any market capitalisation, depositary receipts and exchange-traded funds). Such derivative instruments include swaps, currency forwards, and futures on equity indices, bonds, interest rates, currencies and commodities. The Underlying Winton Funds may invest globally long and short, using leverage, in instruments that the investment manager of the Underlying Winton Fund believes are sufficiently liquid, and for which there is sufficient data available.

The Underlying Fund seeks to achieve its investment objective by employing a combination of quantitative investment strategies developed by Winton. Winton's investment strategy is largely systematic and uses statistical techniques to identify patterns and relationships in data to identify investment opportunities in a diverse investment universe. Some examples of the patterns and relationships found may include signals such as trend following and other empirical effects, such as seasonality in weather patterns. The Underlying Fund uses these patterns and relationships found in data sets to take long and short positions in investments globally. The Underlying Winton Funds are managed using the same quantitative investment approach employed by the Underlying Fund.

Winton's investment systems are implemented using computer programs that generate signals which are applied to the instruments traded. These systems are continually modified, including in the light of market developments and as Winton undertakes further research. Changes to the systems occur as a result of, among other things, the discovery of new relationships, changes in market liquidity, the availability of new data or the reinterpretation of existing data.

The implementation of the investment strategy incorporates certain subjective elements, such as the decision as to which investment signals to use, the weightings of particular signals, the gearing to be applied and the instruments on which to focus. In addition, Winton continually monitors the behaviour of the investment systems, portfolio composition and market conditions and has the discretion to make decisions based on factors other than the output of the investment systems.

Winton's investment strategy is proprietary and complex, and investors should be aware that:

- it is systematic
- it is based on mathematical models, and
- these models are derived through statistical research.

Refer to Section 2.2 of the Underlying Fund's PDS for more information on the investment strategy and process.

Currency denomination and location of the assets

The Underlying Fund may have exposure to markets globally across sectors such as equities, fixed income, interest rates, currencies and commodities. The investments to which the Fund is exposed may be located in any jurisdiction worldwide and denominated in any currency.

The Underlying Winton Fund, in which the Underlying Fund is invested, is incorporated in the Cayman Islands and shares in the Underlying Winton Fund are denominated in US dollars.

The cash holdings of the Underlying Fund, in excess of margin requirements, will generally be denominated in Australian dollars. Although a small portion of cash may be held in US dollars. The cash posted with counterparties or exchanges as margin against the Underlying Fund's futures may be denominated in any currency.

The Underlying Winton Funds may also hold, or have exposure to, cash or cash equivalent investments and fixed income instruments, which are likely to be denominated in currencies other than Australian dollars.

Key assumptions and dependencies of the investment strategy

The ability of the investment strategy to produce investment returns will depend on a number of factors, including without limitation, the success of the strategy and the quality of the statistical research underlying the strategy. There is no guarantee that the Underlying Fund will achieve its performance objectives, or produce returns that are positive or compare favourably against its peers.

Investment limits and guidelines

The Underlying Fund invests in exchange-traded derivatives (futures and forwards) and Underlying Winton Funds, and also holds cash and cash equivalents. Through its investments in Underlying Winton Funds, the Underlying Fund also has exposure to derivatives, over-the-counter and exchange-traded, and may have exposure to equities (including exchange-traded funds, depositary receipts and common equity) or fixed income securities directly held by the Underlying Winton Funds.

The Underlying Fund's investments may provide exposure to the following underlying assets:

- Australian listed equities
- international listed equities
- Australian government bonds
- international government bonds
- Australian corporate bonds
- international corporate bonds
- short-term interest rates
- commodities
- currencies, and
- cash and cash equivalent investments.

The Underlying Fund can be expected to trade in or provide exposure to approximately 100 individual markets worldwide across the following categories.

Examples can include but are not limited to those listed below	
Share indices	• S&P 500 (US) • SFE SPI 200 (Australia) • DJ EuroStoxx • Hang Seng (Hong Kong) • BOVESPA (Brazil)
Bonds	• US Treasury 10-year and 5-year bonds • Australian Commonwealth 10-year and 3-year bonds • Japanese Government bonds
Interest rates	• Australian bank bills • Canadian bank bills • US bank bills • Czech rates (swaps)
Currencies	• Australian dollar • Brazilian Real • British Pound
Commodities (meat, grains, energies, base metal and precious metals)	• Sugar • Coffee • Crude Oil • Aluminium • Gold • Cheese • Milk

The following limits apply to the Underlying Fund's investments.

- Excluding margin committed by the Underlying Winton Funds, not more than 10% of the Underlying Fund's net asset value may be committed as initial margin to any single market.
- Excluding margin committed by the Underlying Winton Funds, not more than 50% of the Underlying Fund's net asset value may be committed as initial margin at any time.
- The Underlying Fund will not invest more than 12% of the Underlying Fund's net asset value in the Underlying Winton Funds.

The Underlying Fund does not have a maximum percentage allocation to derivatives. The Underlying Fund will not have a forecast annualised volatility of greater than 30%.

The Underlying Fund's excess cash will be held in bank accounts with Australian authorised deposit-taking institutions, or such other cash or cash equivalent investments as determined by the cash manager of the Underlying Fund. The margin of the Underlying Fund's futures is held with the futures clearing broker or futures exchanges. A small portion of cash may be held in US dollars. The Underlying Winton Funds may also hold or have exposure to cash or cash equivalent investments, and fixed income instruments, which are likely to be denominated in currencies other than Australian dollars.

These guidelines may be changed from time to time.

Risk management processes employed by Winton

Management of the risk arising from market fluctuations is an integral part of Winton's investment strategy. The most important determinant of risk is the level of leverage. In order to determine the level of leverage, comprehensive information is required about the risks the investment strategy is taking, including realised and forecast volatility, the portfolio sensitivity to various factors, scenario tests and stress tests using various proprietary methods, forecasts of extreme loss frequency and measures of margin employment and leverage. Winton forecasts volatility in each market and the correlation between markets daily in order to forecast the overall volatility of the portfolio and adjust leverage accordingly to manage portfolio risk. Risks are assessed as described above in constructing a portfolio that:

- combines multiple complementary strategies/signals,
- diversifies across all markets (long and short positions), and
- controls the position sizes in each market.

One of the risk metrics for the Underlying Fund, the margin to equity ratio, is available to existing investors monthly through the Underlying Fund performance report.

Disclosure Principle 2: Investment manager

The investment manager

Winton Capital Management Limited (**Winton**) has been appointed to manage the Underlying Fund's investments (other than cash) on a discretionary basis. The Underlying Fund may also invest in Underlying Winton Funds managed by Winton or a related body corporate of Winton.

Winton is a private limited company registered in England and Wales. Winton was registered with the US Commodity Futures Trading Commission as a commodity trading advisor in January 1998 and as a commodity pool operator in December 1998 and registered as an investment adviser with the US Securities and Exchange Commission in March 2012. Winton became a member of the US National Futures Association in January 1998 and has been authorised and regulated by the UK Financial Conduct Authority or its predecessor since June 1997.

The Investment Manager of the Fund, Macquarie Investment Management Global Limited, also acts as the cash manager of the Underlying Fund, managing the cash investments held by the Underlying Fund in excess of the margin requirements.

Key individual

Winton's approach to investing is driven by statistically-based research into systematic trading strategies and does not have any one person who has discretionary decision-making responsibilities. 'Systematic' in this context means that the vast majority of the trading decisions are executed, without discretion, either electronically or by a team responsible for the placement of orders, based on the instructions generated by Winton's investment systems, other than instances where the Winton Investment Committee deems the circumstance to be exceptional.

Winton's investment management activities are led by a team of experienced investment professionals that have a breadth of experience and significant tenure at Winton. The Winton Investment Committee has oversight of investment management activities; in particular, the investment strategies, including the investment systems and their supporting infrastructure. The Winton Investment Committee ensures the implementation of appropriate controls over the operation of the systems and approves material changes.

The individual noted below is responsible for the strategic direction of the firm and the oversight of the systems as chair of the Winton Investment Committee. As a result, the proportion of time devoted to actually executing the Underlying Fund's investment strategy is limited.

David Harding – Founder, Chief Executive Officer and Co-Chief Investment Officer

David Harding graduated from Cambridge University in 1982 with a degree in Natural Sciences specialising in Theoretical Physics. David then embarked on a career in the analysis of futures and trading markets, which led him to co-found two alternative investment companies, including Winton in 1997.

As at the date of this Supplement, there have been no relevant significant adverse regulatory findings against Winton or the key individual of Winton responsible for the strategic direction of the firm and the oversight of the systems.

Investment management agreement between Macquarie and Winton

Under the investment management agreement between Macquarie and Winton (as investment manager of the Underlying Fund), Macquarie may terminate the appointment of Winton as the investment manager of the Underlying Fund in the following circumstances:

- not less than three months' written notice to Winton, or
- upon the occurrence of certain 'default' events including, but not limited to, a change of control of Winton, insolvency of Winton, Winton ceasing to carry on business or losing its licence, a key person event, breach of a material provision of the agreement that has an adverse impact on the Underlying Fund's returns (where Winton fails to remedy the breach or failure within ten Business Days of being asked to do so by Macquarie) or the failure of the Underlying Fund to meet certain performance thresholds.

On termination of the investment management agreement between Macquarie and Winton (as investment manager of the Underlying Fund), Winton will generally be entitled to receive any accrued fees and expenses incurred in respect of the period to termination. Other than any accrued fees and expenses payable, there are no other payment obligations on termination of the investment management agreement.

Disclosure Principle 3: Fund structure

The Underlying Fund is an Australian unit trust registered under the Corporations Act as a managed investment scheme. Macquarie is the responsible entity of the Underlying Fund and is responsible for operating the Underlying Fund in accordance with the Underlying Fund's constitution, and the Corporations Act.

The key service providers to the Fund are:

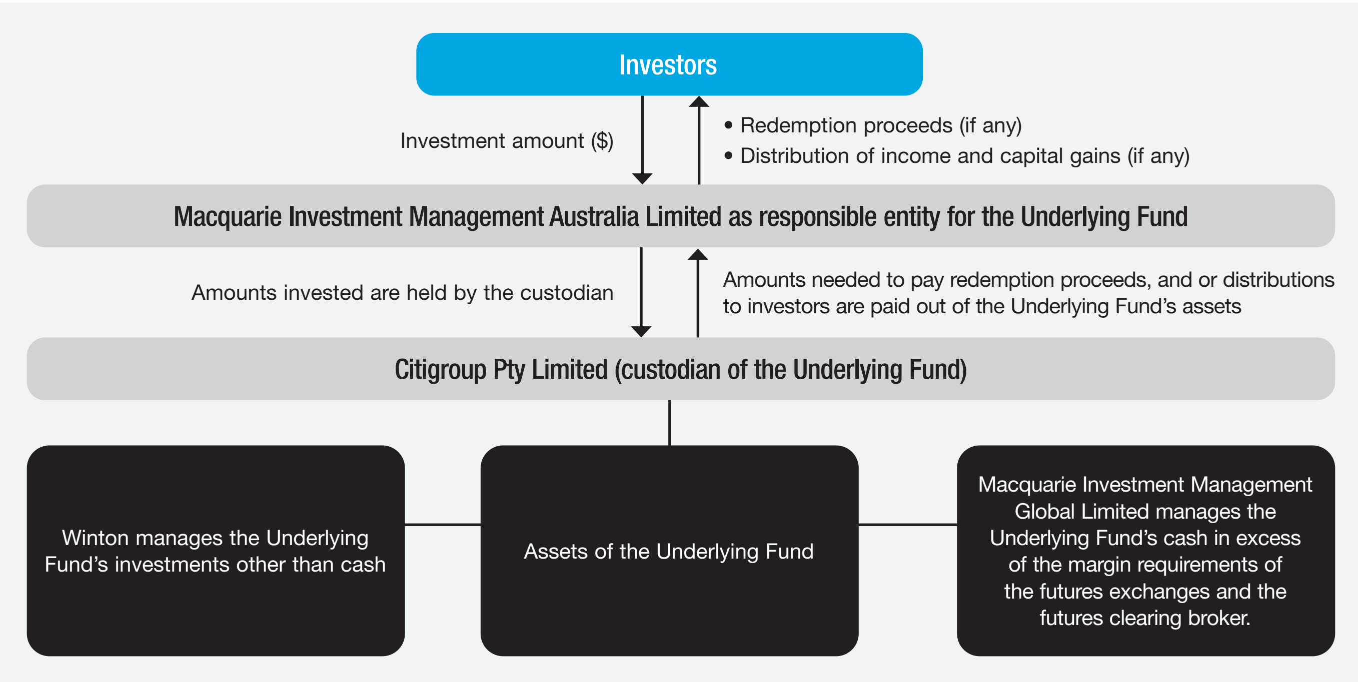
- the investment manager of the Fund, Winton Capital Management Limited
- the cash manager of the Underlying Fund – Macquarie Investment Management Global Limited, a company incorporated under the laws of Australia
- the custodian of the Underlying Fund, Citi, a company incorporated under the laws of Australia, and
- the auditor of the Underlying Fund – Ernst & Young Australia.

Winton or a related body corporate of Winton will be the investment manager of the Underlying Winton Funds.

For more information on the key service providers, please refer to Section 1 of the Underlying Fund's PDS.

Macquarie and the cash manager of the Underlying Fund, both part of Macquarie Group, are related corporations.

The diagram below shows the flow of investment money through the structure of the Underlying Fund.



Disclosure Principle 4: Valuation, location and custody of assets

The Underlying Fund's assets are normally valued at their most recent market value, using independent pricing sources where available for the particular asset type and in accordance with industry standards. Futures held directly by the Underlying Fund are generally valued by reference to the exchange settlement price. Cash is valued at its face value with the addition of accrued interest.

Macquarie relies on valuation information from the administrators of the Underlying Winton Funds, who are independent of Macquarie and Winton, to value the Underlying Fund's interests in the Underlying Winton Funds.

The Underlying Fund's assets are held in the name of Macquarie as the responsible entity of the Underlying Fund. Citi has been appointed as the custodian of the Underlying Fund. However, as the Underlying Fund's assets are held in the name of Macquarie, Citi's role is limited to providing services to the Underlying Fund in relation to some of the cash held by the Underlying Fund for day-to-day operational purposes (which is generally a small percentage of the Underlying Fund's total cash holdings).

Please refer to Disclosure Principle 1 above for information on the location of the assets of the Underlying Fund.

Disclosure Principle 5: Liquidity

As at the date of this Supplement, Macquarie reasonably expects to be able to realise at least 80% of the Underlying Fund's assets under normal market conditions, at the value ascribed to those assets in calculating the Underlying Fund's net asset value, within ten days.

Disclosure Principle 6: Leverage

The Underlying Fund uses leverage, which is inherent in derivatives, to implement the investment strategy although it does not physically borrow to leverage. The Underlying Winton Funds typically employ leverage through the use of derivatives but may employ leverage by physically borrowing, which may be effected through brokerage firms, banks or other financial institutions.

Leverage generally provides a much larger exposure to the underlying assets with a relatively small initial outlay. The Underlying Fund, therefore, may have gross market exposure (on a look-through basis) in excess of 100% of the net asset value of the Underlying Fund. While the use of leverage may increase the potential return on an investment in the Underlying Fund, it also increases the level of risk and may also result in substantial losses being incurred in the Underlying Fund.

The Underlying Fund does not have any specific leverage restrictions and does not have a maximum anticipated or allowed level of leverage. However, not more than 50% of the Underlying Fund's net asset value will be committed to its clearing broker as initial margin at any time excluding margin committed by the Underlying Winton Funds.

For example on the margin requirements, assume you had $100,000 to invest, and could hold either one equity futures contract or one interest rate futures contract. Table 1 shows (assuming no other investments) the notional contract size and notional leverage for each contract. The example shows that the notional leverage would be significantly higher if one interest rate futures contract was held compared to one equity futures contract.

	Number of contracts held	Notional contract size	Notional leverage
Equity futures contract	1	$250,000	250,000/100,000 = 2.5
Interest rate futures contract	1	$1,000,000	1,000,000/100,000 = 10

Volatility is a statistical measure of risk. The more sharply that the value of a portfolio moves up and down over time, the more volatile it is, and the higher the risk. In the same example, due to the higher volatility in equity futures markets compared to interest rate futures markets, the level of risk you take on would be considerably higher if one equity futures contract was held instead of one interest rate futures contract. This is reflected in the exchange requiring a much higher initial margin to trade equity futures than interest rate futures (refer to Table 2).

	Number of contracts held	Initial margin	Annualised volatility
Equity futures contract	1	$60,000[1]	24.00%[2]
Interest rate futures contract	1	$441[1]	0.57%[2]

1 This is only an approximation of the initial margin of a typical equity and interest rate futures contract.

2 Actual historical volatility, as at 31 May 2020, based on historical daily movements over 1 year for S&P 500 Index and 90 day Australian Bank Bill contracts.

The interest rate futures contract has higher notional leverage, but is lower in risk. This is reflected in lower volatility and lower initial margin requirements. The equity futures contract has lower notional leverage, but is higher in risk. This is reflected in higher volatility and higher initial margin requirements. The example provided is for illustrative purposes only and does not necessarily reflect the characteristics of other futures contracts or derivatives contracts in similar circumstances. The volatility and margin requirements of any futures contracts or derivatives contracts may be significantly different to the example provided.

Assets used as collateral

The initial margin and variation margin is collateral to cover the risk of default on the derivatives contract. If the margin account of the Underlying Fund or an Underlying Winton Fund goes below a certain value, then a margin call is made and the Underlying Fund or the Underlying Winton Fund (as relevant) must replenish the margin account. Calls for margin are expected to be paid on the same day. If not, the clearing broker, or exchange or counterparty (as relevant) may terminate such derivatives contracts. Cash deposited as margin with the clearing broker, or exchange or counterparty (as relevant) may be encumbered or exposed to set off rights in certain circumstances. For example, the counterparty may have rights to such collateral where an event of default occurs in relation to trading undertaken on behalf of the Underlying Fund or an Underlying Winton Fund. Also, the claims against the collateral by third parties may be accelerated in the event of insolvency of Macquarie or the Underlying Winton Fund (as relevant) in certain circumstances.

Where an Underlying Winton Fund physically borrows to leverage, the Underlying Winton Fund is likely to need to grant security over the assets of the Underlying Winton Fund to the lender. The lender will have rights to take possession of and/or sell the secured assets if the Underlying Winton Fund defaults on its loan. The secured assets may be sold at below a fair or market value and/or may not generate net proceeds that are sufficient to fully satisfy the amount outstanding on the loan.

Disclosure Principle 7: Derivatives

The use of derivatives is key to the investment strategy of the Underlying Fund and the Underlying Winton Funds. The Underlying Fund and the Underlying Winton Funds take both long and short positions in derivatives including futures, forwards, swaps and other derivatives, which provide returns linked to the movements in particular underlying investments, such as equities, fixed income, interest rates, currencies and commodities. The Underlying Fund may have exposure to exchange-traded or over-the-counter derivatives.

All of the Underlying Fund's executing brokers must have, in Winton's reasonable opinion, sufficient expertise and experience in trading such financial instruments.

! Refer to Section 3 of the PDS for information on the risks associated with the use of derivatives.

Disclosure Principle 8: Short-selling

The Underlying Fund may have exposure to short derivatives positions and could be indirectly exposed to the short-selling of physical assets through its investment in the Underlying Winton Funds. The key difference between a long position and a short position is that a short position involves the unlimited risk of an increase in the market price of the securities underlying the short position. Such an increase could lead to a substantial loss.

In the case of short-selling of physical assets, there can be no guarantee that the securities or other assets necessary to cover a short position will be available for purchase or available at a fair value price.

! Refer to Section 3 of the PDS for more information on the risks associated with short-selling and Disclosure Principle 1 above for how Winton manages the risks associated with the investment process generally (including short positions).

4 Consents

IPM Informed Portfolio Management AB

IPM has given its written consent to the statements about it and its employees and officers appearing in this Supplement in the form and context in which they appear (and has not withdrawn that consent before the date of this Supplement).

P/E Global LLC

P/E Global has given its written consent to the statements about it and its employees and officers appearing in this Supplement in the form and context in which they appear (and has not withdrawn that consent before the date of this Supplement). This offering has not been approved or disapproved by the U.S. Securities and Exchange Commission (**SEC**), the securities commission of any state or territory within the United States, nor the U.S. Commodity Futures Trading Commission (**CFTC**). None of the SEC, the securities commission of any State or Territory within the United States and the CFTC has passed upon the accuracy or adequacy of this Supplement. Any representation to the contrary is a criminal offence within the United States. The Fund has consented to being treated as an exempt account under applicable CFTC rules. PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THE INVESTMENT MANAGEMENT AGREEMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN ANY TRADING PROGRAM OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY TRADING ADVISOR DISCLOSURE. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THE TRADING PROGRAM OF THE INVESTMENT MANAGER OR THE INVESTMENT MANAGEMENT AGREEMENT.

Winton Capital Management Limited

Winton has given its written consent to the statements about it and its employees and officers appearing in this Supplement (**Winton Statements**) in the form and context in which they appear (and has not withdrawn that consent before the date of this Supplement). Other than the Winton Statements, Winton does not take any responsibility for the accuracy or completeness of the contents of these materials, any representations made herein, or the performance of the Fund and/or the Winton Global Alpha Fund. Winton disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by you or by any third party that may arise from any reliance on these materials. Winton is not responsible for, nor involved in, the marketing, distribution or sales of shares or interests in the Fund and is not responsible for compliance with any marketing or promotion laws, rules or regulations; and no third party, other than Macquarie, is authorised to make any statement about any of Winton's products or services in connection with any such marketing, distribution or sales. Past performance by any other funds or accounts advised by Winton is not indicative of any future performance by the Fund.

Contact details

Macquarie Investment Management Client Service
PO Box R1723
Royal Exchange
NSW 1225 Australia

Telephone

1800 814 523 or
61 2 8245 4900
8.30am to 5.30pm (Sydney time)
Monday to Friday

Facsimile

61 2 8232 4730

Email

mim.clientservice@macquarie.com

Website

Direct investors: macquarie.com/personal/managed-funds
Advisers: macquarie.com/advisers/managed-funds

MIM177 12/20