MFS® Trusts

Reference Guide

Issue Date 25 February 2022

About this Reference Guide

This Reference Guide ("RG") dated 25 February 2022 has been prepared and issued by Equity Trustees Limited ("Equity Trustees", "we" or "Responsible Entity"). The information in this document forms part of the Product Disclosure Statement ("PDS") for the MFS Global Equity Trust; MFS Blended Research® Global Equity Trust; MFS Concentrated Global Equity Trust; MFS Emerging Markets Equity Trust; MFS Hedged Global Equity Trust; MFS Prudent Capital Trust; MFS Global Opportunistic Fixed Income Trust; and MFS Global Opportunistic Fixed Income Trust - I Class; MFS Global New Discovery Trust; MFS Global New Discovery Trust - I Class; MFS Global New Discovery Trust - Z Class; MFS Global Equity Trust II - Class I Unhedged and MFS Global Equity Trust II - Class I Hedged (each referred to as a "Trust" or "MFS Trust", and together referred to as the "Trusts" or "MFS Trusts").

The information provided in this RG is for general information only and does not take into account your individual objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances.

Contents

Updated information

Information in the PDS and this RG is subject to change. Before making an investment in the Trust, you should ensure that you have read the PDS and RG current as at the date of your investment.

You can request a copy of the PDS and RG by calling MFS Client Services on +612 9228 0400 or visiting www.mfs.com or calling Equity Trustees. A paper copy of the updated information will also be provided free of charge on request.

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1. Investing in the MFS Trusts

Application cut-off times

If we receive a correctly completed Application Form, identification documents (if applicable) and cleared application money:

- before 2pm on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for that Business Day; or
- on or after 2pm on a Business Day and your application for units is accepted, you will generally receive the Application Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to apply.

Application terms

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application Form.

If you are an Indirect Investor, you need to contact the relevant IDPS Operator regarding the cut-off times for applications.

Confirmation of Transactions

As soon as reasonably practicable and generally within 3 Business Days after the Responsible Entity has accepted your application or withdrawal request, you or your appointed representative will receive written confirmation of the details of your transaction, including the number of units, the effective date and price and the resulting unit balance (if applicable).

Accessing the MFS Trusts via Platforms

You can access the MFS Trusts through various platforms. To obtain a list of these platforms, please phone one of the contacts listed under Trust Enquiries at the back of this Reference Guide.

Use of Calastone network

For investors who have entered into separate arrangements with Calastone Limited to use the Calastone execution messaging network, EQT may also at its sole discretion provide the option to submit applications for additional investments and withdrawal notices via the Calastone network. Investors' use of the Calastone network will be governed by the terms and conditions of their respective agreements with Calastone Limited.

2. Managing your investment

Authorised signatories

You can appoint a person, partnership or company as your authorised signatory. To do so, please nominate them on the Application Form and have them sign the relevant sections. If a company is appointed, the powers extend to any director and officer of the company. If a partnership is appointed, the powers extend to all partners. Such appointments will only be cancelled or changed once we receive written instructions from you to do so.

Once appointed, your authorised signatory has full access to operate your investment account for and on your behalf. This includes the following:

- making additional investments;
- requesting income distribution instructions be changed;
- withdrawing all or part of your investment;
- changing bank account details;
- having online account access to your investment; and
- enquiring and obtaining copies of the status of your investment.

If you do appoint an authorised signatory:

- you are bound by their acts;
- you release, discharge and indemnify us from and against any losses, liabilities, actions, proceedings, claims and demands arising from instructions received from your authorised signatory; and
- you agree that our acting on any instructions received from your authorised signatory shall amount to complete satisfaction of our obligations, even if these instructions were made without your knowledge or authority.

Reports

Investors will be provided with the following reports:

- application and withdrawal confirmation statements;
- transaction statements; and
- (where applicable), distribution and tax statements.

Annual audited financial accounts are available on Equity Trustees' website.

Investment reports issued quarterly providing information on the Trusts will be made available. These reports include a review of market conditions, investment strategy and performance, as well as a market outlook (emailed upon request or also available on the MFS website).

MFS or Equity Trustees will make available a complete schedule of portfolio holdings and related information for the Trust. Full portfolio holdings are generally available 25 days after a given month-end and top ten holdings are generally available 15 days after a given month-end.

3. Withdrawing your investment

Withdrawal cut-off times

If we receive a withdrawal request:

- before 2pm on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for that Business Day; or
- on or after 2pm on a Business Day and your withdrawal request is accepted, you will generally receive the Withdrawal Price calculated for the next Business Day.

Please see the relevant PDS for information regarding how to request a withdrawal.

Withdrawal terms

Once we receive your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We may contact you to check your details before processing your withdrawal request but are not obliged to. This may cause a delay in finalising payment of your withdrawal money. No interest is payable for any delay in finalising payment of your withdrawal money.

We are not responsible or liable if you do not receive, or are late in receiving, any withdrawal money that is paid according to your instructions.

When you are withdrawing, you should take note of the following:

- Withdrawals will only be paid to the investor.
- We reserve the right to fully redeem your investment if, as a result of processing your request, your investment balance in the Trust falls below the minimum balance set out in the relevant PDS.
- If we cannot satisfactorily identify you as the withdrawing investor, we may reject your withdrawal request or payment of your withdrawal proceeds will be delayed. We are not responsible for any loss you consequently suffer.
- As an investor who is withdrawing, you agree that any payment made according to instructions received by post, courier or fax, shall be a complete satisfaction of our obligations, despite any fact or circumstances such as the payment being made without your knowledge or authority.

- You agree that if the payment is made according to these terms, you, and any person claiming on your behalf, shall have no claim against us with regards to such payment.
- While the Trust is liquid, Equity Trustees will generally allow investors in the Trust to access their investment within 3 Business Days of acceptance of a withdrawal request by transfer of the withdrawal proceeds to the investor's nominated bank account.
- The Constitutions of the MFS Global Equity Trust, the MFS Hedged Global Equity Trust, the MFS Concentrated Global Equity Trust and the MFS Emerging Markets Equity Trust allow Equity Trustees to make payments up to 30 days after acceptance of a withdrawal request (which may be extended at the discretion of Equity Trustees in accordance with the Constitution).
- The Constitutions of the MFS Blended Research® Global Equity Trust, MFS Prudent Capital Trust, MFS Global Opportunistic Fixed Income Trust, MFS Global Opportunistic Fixed Income Trust - I Class, MFS Global New Discovery Trust, MFS Global New Discovery Trust - I Class, MFS Global New Discovery Trust - Z Class, MFS Global Equity Trust II - Class I Unhedged; and the MFS Global Equity Trust II - Class I Hedged allow Equity Trustees to make payments up to 21 days after acceptance of a withdrawal request (which may be extended at the discretion of Equity Trustees in accordance with the Constitution).

Withdrawal restrictions

Under the Corporations Act, you do not have a right to withdraw from the Trust if the Trust is illiquid. In such circumstances, you will only be able to withdraw your investment if Equity Trustees makes a withdrawal offer in accordance with the Corporations Act. Equity Trustees is not obliged to make such offers.

The Trust will be deemed liquid if at least 80% of its assets are liquid assets (generally cash and marketable securities). In addition, we may at any time suspend consideration of withdrawal requests or defer our obligation to pay withdrawal proceeds if it is not possible, or not in the best interests of investors or former investors for us to do so, due to circumstances outside our control (such as restricted or suspended trading in a Trust asset).

Joint Account Operation

Joint accounts are normally accessible to all of the named individuals. For joint accounts, unless indicated to the contrary on the form, all signatories must sign withdrawal requests. Please ensure all signatories sign the declaration in the Application Form. Joint accounts will be held as joint tenants unless we are advised to the contrary in writing.

Termination of Trusts

The Responsible Entity may resolve at any time to terminate a Trust (if it provides investors with notice) and liquidate it in accordance with the Trust's Constitution and the Corporations Act. Upon termination and after conversion of the Trust's assets into cash and payment of, or provision for, all costs, and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata amongst all investors according to the number of units they hold in the Trust.

4. Principal risks

The following risks are applicable to the relevant MFS Trust where that particular risk is referenced in that MFS Trust's PDS.

Allocation Risk

MFS' assessment of the risk/return potential of asset classes and the resulting allocation among asset classes may not produce the intended results and/or can lead to an investment focus that results in the Trust underperforming other funds with similar investment strategies and/or underperforming the markets in which the Trust invests. It is expected that the Trust will generally underperform the equity markets during periods of strong, rising equity markets.

Concentration Risk

Because the Trust invests in a limited number of issuers, the Trust's performance will be affected by the economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions that impact one issuer or a small number of issuers, and could be more volatile than the performance of more diversified funds.

Counterparty Risk

Counterparty risk is the risk that any of Equity Trustees' or MFS' counterparties, including any Derivative counterparties, custodians, any issuer or guarantor of securities held by the Trust, or other third party responsible for servicing a security or effecting a transaction, becomes insolvent, experiences a business interruption, or cannot or will not otherwise perform in accordance with the terms of the transaction or arrangement.

Credit Risk

The price of a debt instrument depends, in part, on the issuer's or borrower's credit quality or ability to pay principal and interest when due. The price of a debt instrument is likely to fall if an issuer or borrower defaults on its obligation to pay principal or interest, if the instrument's credit rating is downgraded by a credit rating agency, or based on other changes in, or perceptions of, the financial condition of the issuer or borrower. For certain types of instruments including derivatives, the price of the instrument depends in part on the credit quality of the counterparty to the transaction. For other types of debt instruments, including securitised instruments, the price of the debt instrument also depends on the credit quality and adequacy of the underlying assets or collateral as well as whether there is a security interest in the underlying assets or collateral. Enforcing rights, if any, against the underlying assets or collateral may be difficult.

Below investment grade quality debt instruments can involve a substantially greater risk of default or can already be in default, and their values can decline significantly over short periods of time. Below investment grade quality debt instruments are regarded as having predominantly speculative characteristics with respect to capacity to pay interest and principal. Below investment grade quality debt instruments tend to be more sensitive to adverse news about the issuer, or the market or economy in general, than higher quality debt instruments. The market for below investment grade quality debt instruments can be less liquid, especially during periods of recession or general market decline.

Currency Risk

Changes in currency exchange rates can significantly impact the financial condition of a company or other issuer with exposure to multiple countries. In addition, a decline in the value of a foreign currency relative to the Australian dollar reduces the value of the foreign currency and investments denominated in that currency. The use of foreign exchange contracts to reduce foreign currency exposure will not completely eliminate the exposure to foreign currency movements. In addition, the use of foreign exchange contracts to reduce foreign currency exposure can eliminate some or all of the benefit of an increase in the value of a foreign currency versus the Australian dollar. The value of foreign currencies relative to the Australian dollar fluctuates in response to, among other factors, interest rate changes, intervention (or failure to intervene) by the Australian or foreign governments, central banks, or supranational entities such as the International Monetary Fund, the imposition of currency controls, and other political or regulatory conditions in Australia or abroad. Foreign currency values can decrease significantly both in the short term and over the long term in response to these and other conditions.

Debt Market Risk

Debt markets can be volatile and can decline significantly in response to, or due to investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions. These conditions can affect a single instrument, issuer, or borrower, a particular type of instrument, issuer, or borrower, a segment of the debt markets, or debt markets generally. Certain changes or events, such as political, social, or economic developments, including increasing and negative interest rates or a government's inability to agree on a long-term budget and deficit reduction plan; market closures and/or trading halts; government or regulatory actions, including the imposition of tariffs or other protectionist actions and changes in fiscal, monetary, or tax policies; natural disasters; outbreaks of pandemic or epidemic diseases; terrorist attacks; war; and other geopolitical changes or events can have a dramatic adverse effect on debt markets and may lead to periods of high Volatility and reduced liquidity in a debt market or a segment of a debt market.

A widespread health crisis such as a global pandemic could cause substantial market volatility and have long-term effects on the Australian and world economies and markets generally. For example, the COVID-19 outbreak has resulted in significant disruptions to global business activity, including closed international borders, quarantines and travel restrictions, disruptions to business operations and supply chains, and lower consumer demand and economic output. The impact of this outbreak and other epidemics and pandemics that may arise in the future could negatively affect the global economy, as well as the economies of individual countries, the financial performance of individual companies and sectors, and the securities and commodities markets in general in significant and unforeseen ways. A health crisis may also exacerbate other pre-existing political, social and economic risks. Any such impacts could adversely affect the prices and liquidity of the Trust's investments and the Trust's performance.

Certain of the Trust's investments may be based on reference interest rates, such as the London Interbank Offered Rate ("LIBOR"). In 2017, the regulatory authority that oversees financial services firms in the United Kingdom announced plans to transition away from LIBOR by the end of 2021. In March 2021, the administrator of LIBOR announced the extension of the publication of certain of the more commonly used LIBOR settings to the end of June 2023. Regulators and industry groups have been planning for the transition away from LIBOR to alternative reference rates and are in the process of implementing measures intended to facilitate this transition. However, there remains uncertainty regarding the transition from LIBOR to these alternative reference rates and the potential effects of the transition from LIBOR on the Trust, or on certain instruments in which the Trust invests, are not known. The transition from LIBOR may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR to determine interest rates. Any such effects of the transition away from LIBOR and the adoption of alternative reference rates, as well as other unforeseen effects, could have an adverse impact on the Trust's performance.

Derivatives Risk

Derivatives can be highly volatile and involve risks in addition to, and potentially greater than, the risks of the underlying indicator(s) on which the Derivative is based. Gains or losses from Derivatives can be substantially greater than the Derivatives' original cost and can sometimes be unlimited. Derivatives can involve leverage. Derivatives can be complex instruments and can involve analysis and processing that differs from that required for other investment types used by the Trust. If the value of a Derivative does not change as expected relative to the value of the market or other indicator the Derivative is intended to provide exposure to, the Derivative may not have the effect intended. Derivatives can also reduce the opportunity for gains or result in losses by offsetting positive returns in other investments. Derivatives can be less liquid than other types of investments.

Equity Market/Company Risk

Equity markets can be volatile and can decline significantly in response to, or due to investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions. These conditions can affect a single issuer or type of security, issuers within a broad market sector, industry or geographic region, or the equity markets in general. Different parts of the market and different types of securities can react differently to these conditions. For example, the stocks of growth companies can react differently from the stocks of value companies, and the stocks of large cap companies can react differently from the stocks of small cap companies. Certain changes or events, such as political, social, or economic developments including increasing or negative interest rates or a government's inability to agree on a long-term budget and deficit reduction plan; market closures and/or trading halts; government or regulatory action including the imposition of tariffs or other protectionist actions; changes in fiscal, monetary, or tax policies; outbreaks of pandemic or epidemic diseases; natural disasters; terrorist attacks; war; and other geopolitical events, can have a dramatic adverse effect on equity markets and may lead to periods of high Volatility in an equity market or a segment of an equity market.

A widespread health crisis such as a global pandemic could cause substantial market volatility and have long-term effects on the Australian and world economies and markets generally. For example, the COVID-19 outbreak has resulted in significant disruptions to global business activity including closed international borders, quarantines and travel restrictions, disruptions to business operations and supply chains, and lower consumer demand and economic output. The impact of this outbreak and other epidemics and pandemics that may arise in the future could negatively affect the global economy, as well as the economies of individual countries, the financial performance of individual companies and sectors, and the securities and commodities markets in general in significant and unforeseen ways. A health crisis may also exacerbate other pre-existing political, social and economic risks. Any such impacts could adversely affect the prices and liquidity of the Trust's investments and the Trust's performance.

Focus Risk

Issuers in a single industry, sector, country, or region can react similarly to market, currency, political, economic, regulatory, geopolitical, environmental, public health, and other conditions. These conditions include business environment changes; economic factors such as fiscal, monetary, and tax policies; inflation and unemployment rates; and government and regulatory changes. The Trust's performance will be affected by the conditions in the industries, sectors, countries and regions to which the Trust is exposed.

Foreign and Emerging Markets Risk

Exposure to foreign markets, especially in Emerging Markets, securities of companies with significant foreign exposure, and foreign currencies can involve additional risks relating to market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions. Political, social, diplomatic, and economic developments, Australian and foreign government action such as the imposition of currency or capital blockages, controls or tariffs, economic and trade sanctions or embargoes, security trading suspensions entering or exiting trade or other intergovernmental agreements, or the expropriation or nationalisation of assets in a particular country, can cause dramatic declines in certain or all securities with exposure to that country and other countries. In the event of nationalization, expropriation, confiscation, or other government action, intervention, or restriction, the Trust could lose its entire investment in a particular foreign issuer or country. Economies and financial markets are connected, which increases the likelihood that conditions in one country or region can adversely impact issuers in different countries and regions. Less stringent regulatory, accounting, auditing, and disclosure requirements for issuers and markets are more common in certain foreign countries. Enforcing legal rights can be difficult, costly, and slow in certain foreign countries and with respect to certain types of investments, and can be particularly difficult against foreign governments. Additional risks of foreign investments include trading, settlement, custodial, and other operational risks, and withholding and other taxes. These factors can make foreign investments, especially those tied economically to emerging markets and frontier markets (emerging markets that are early in their development), more volatile and less liquid than Australian investments. In addition, foreign markets can react differently to market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions than the Australian market.

Investments tied economically to emerging markets can involve additional and greater risks than the risks associated with investments in developed markets. Emerging markets typically have less developed economies and markets, greater custody and operational risk, less developed legal, regulatory, and accounting systems, less trading volume, less stringent investor protection and disclosure standards, less reliable settlement practices, greater government involvement in the economy, and greater risk of new or inconsistent government treatment of or restrictions on issuers and instruments than developed countries. Financial and other disclosures by emerging market issuers may be considerably less reliable than disclosures made by issuers in developed markets. Emerging markets can also be subject to greater political, social, geopolitical, and economic instability and more susceptible to environmental problems. In addition, many emerging market countries with less established health care systems have experienced outbreaks of pandemics or contagious diseases from time to time. These factors can make emerging market investments more volatile and less liquid than investments in developed markets.

Interest Rate Risk

The price of a debt instrument typically changes in response to interest rate changes. Interest rates can change in response to the supply and demand for credit, government and/or central bank monetary policy and action, inflation rates, and other factors. In general, the price of a debt instrument falls when interest rates rise and rises when interest rates fall. The current period of historically low interest rates may heighten the risks associated with rising interest rates because there may be a greater likelihood of interest rates increasing and interest rates may increase rapidly. Interest rate risk is generally greater for fixed-rate instruments than floating-rate instruments and for instruments with longer maturities, or that do not pay current interest. In addition, short-term and long-term interest rates, and interest rates in different countries, do not necessarily move in the same direction or by the same amount. An instrument's reaction to interest rate changes depends on the timing of its interest and principal payments and the current interest rate for each of those time periods. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. Changes in government monetary policy may affect the level of interest rates. The Trust may be subject to greater risk of rising interest rates due to the current period of historically low interest rates. To the extent the Trust invests in fixed-rate instruments, fluctuations in the market price of such investments may not affect interest income derived from those instruments, but may nonetheless affect the Trust's share price, especially if the instrument has a longer maturity.

Investment Selection Risk

MFS' investment analysis, its development and use of quantitative models, and its selection of investments may not produce the intended results and/or can lead to an investment focus that results in the Trust underperforming other funds with similar investment strategies and/or underperforming the markets in which the Trust invests. The quantitative models used by MFS (both proprietary and third-party) may not produce the intended results for a variety of reasons, including the factors used in the models, the weight placed on each factor in the models, changes from the market factors' historical trends, changing sources of market return or market risk, and technical issues in the design, development, implementation, application and maintenance of the models (e.g. incomplete, stale, or inaccurate data, programming or other software issues, coding errors and technology failures.)

Large Investor Risk

From time to time, investors in the Trust may make relatively large redemptions or purchases of units in the Trust. These transactions may cause the Trust to sell securities or invest additional cash, as the case may be, at disadvantageous prices. Redemptions of a large number of units also may increase transaction and other costs or have adverse tax consequences for investors in the Trust by requiring a sale of portfolio securities. Purchases of a large number of shares by investors in the Trust may adversely affect the Trust's performance to the extent that it takes time to invest new cash and the Trust maintains a larger cash position than it ordinarily would.

Legal Risk

A Trust may be affected by the actions of governments and regulatory bodies. Legislation could be imposed retrospectively or may be issued in the form of internal regulations of which the public may not be aware. Legislation (including legislation relating to tax) or regulation may be introduced which inhibits the Trust from pursuing its strategy or which renders an existing strategy less profitable than anticipated. Such actions may take any form, for example nationalisation of any institution or restrictions on investment strategies in any given market sector (for example restrictions on short selling in the financial sector) or changing requirements (for example increased disclosure to market) and imposed without prior warning by any regulator. This risk is generally higher in developing countries.

Liquidity Risk

Certain investments and types of investments are subject to restrictions on resale, may trade in the over the-counter market, or may not have an active trading market due to adverse market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions; including investors trying to sell large quantities of a particular investment, or lack of market makers or other buyers for a particular investment or type of investment. At times, all or a significant portion of a market may not have an active trading market. Without an active trading market, it may be difficult to value, and it may not be possible to sell, these investments and a Trust could miss other investment opportunities and hold investments it would otherwise prefer to sell, resulting in losses for the Trust. In addition, the Trust may have to sell certain of these investments at a price or time that is not advantageous in order to meet redemptions or other cash needs, which could result in dilution of remaining investors' interests in the Trust. The price of illiquid securities may be more volatile than more liquid investments. If this occurs and it results in the Trust becoming illiquid, withdrawals of units from the Trust must be processed only in accordance with the Corporations Act. Trading volumes of stocks are generally sufficient to satisfy liquidity requirements when necessary. Neither Equity Trustees nor MFS guarantees the liquidity of the Trust's investments.

Operational Risk

Operational risk addresses the risk of trading and back office or administration issues that may result in a loss to the Trust. This could be the result of oversight, ineffective security processing procedures, computer system problems or human error. Equity Trustees and MFS have instituted certain practices and processes within their respective operations and business administrations designed to wherever possible mitigate the operational risk consequences that arise.

Pandemic and Other Unforeseen Event Risk

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Trust's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of the Investment Manager, and other service providers could be reduced, delayed, suspended or otherwise disrupted.

Prepayment/Extension Risk

Many types of debt instruments, including mortgage-backed securities and other securitised instruments, certain corporate bonds, and municipal housing bonds, and certain Derivatives, are subject to the risk of prepayment and/or extension. Prepayment occurs when unscheduled payments of principal are made or the instrument is called or redeemed prior to an instrument's maturity. When interest rates decline, the instrument is called, or for other reasons, these debt instruments may be repaid more quickly than expected. As a result, the holder of the debt instrument may not be able to reinvest the proceeds at the same interest rate or on the same terms, reducing the potential for gain. When interest rates increase or for other reasons, these debt instruments may be repaid more slowly than expected, increasing the potential for loss. In addition, prepayment rates are difficult to predict and the potential impact of prepayment on the price of a debt instrument depends on the terms of the instrument.

Real Estate Investment Trust Risk

The risks of investing in real estate investment trusts ("REITs") include certain risks associated with the direct ownership of real estate and the real estate industry in general. These include risks related to general, regional and local economic conditions; difficulties in valuing and disposing of real estate; fluctuations in interest rates and property tax rates; shifts in zoning laws, environmental regulations and other governmental action; cash flow dependency; increased operating expenses; lack of availability of mortgage funds; losses due to natural disasters; overbuilding; losses due to casualty or condemnation; changes in property values and rental rates; the management skill and creditworthiness of the REIT manager; and other factors. The real estate sector is particularly sensitive to economic downturns. The securities of smaller real estate-related issuers can be more volatile and less liquid than securities of larger issuers and their issuers can have more limited financial resources. In addition, REITs may have limited diversification because they invest in a limited number of properties, a narrow geographic area, or a single type of property.

Small to Medium Cap Risk

The stocks of small to medium cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources, and market and distribution channels. Small to medium cap companies often have shorter operating histories than larger, well-established companies. Their shares can be less liquid than those of larger companies, especially during market declines.

Trust Risk

As with all managed funds, there are risks particular to the MFS Trusts including: that the Trusts could be terminated, the fees and expenses could change, Equity Trustees is replaced as responsible entity or that MFS is replaced as investment manager. There is also the risk that investing in a MFS Trust may give different results than investing directly in the securities because of income or capital gains accrued in the Trust and the consequences of withdrawal by other investors.

5. Additional information on fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment.

MFS Trusts		
Type of fee or cost	**Amount**	**How and when paid**
Ongoing annual fees and costs[1]		
Management fees and costs The fees and costs for managing your investment	MFS Global Equity Trust: 0.77% of the NAV of the Trust MFS Blended Research® Global Equity Trust: 0.50% of the NAV of the Trust MFS Concentrated Global Equity Trust: 0.90% of the NAV of the Trust MFS Emerging Markets Equity Trust: 0.90% of the NAV of the Trust MFS Hedged Global Equity Trust: 0.80% of the NAV of the Trust MFS Prudent Capital Trust: 0.90% of the NAV of the Trust MFS Global Opportunistic Fixed Income Trust: 0.59% of the NAV of the Trust MFS Global Opportunistic Fixed Income Trust - I Class: 0.50% of the NAV of the Trust MFS Global New Discovery Trust 1.00% of the NAV of the Trust MFS Global New Discovery Trust – I Class 0.85% of the NAV of the Trust MFS Global New Discovery Trust – Z Class 0.00% of the NAV of the Trust MFS Global Equity Trust II - Class I Unhedged 0.65% of the NAV of the Trust MFS Global Equity Trust II - Class I Hedged 0.68% of the NAV of the Trust	The management fees component of management fees and costs are accrued daily and paid from the Trust monthly in arrears and reflected in the daily unit price. Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Trust as they are incurred. The management fees component of management fees and costs can be negotiated. Please see "Differential fees" in the "Additional Explanation of Fees and Costs" for further information.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Not applicable	Not applicable

MFS Trusts		
Type of fee or cost	**Amount**	**How and when paid**
Transaction costs The costs incurred by the scheme when buying or selling assets	MFS Global Equity Trust: 0.00% of the NAV of the Trust MFS Blended Research® Global Equity Trust: 0.00% of the NAV of the Trust MFS Concentrated Global Equity Trust: 0.00% of the NAV of the Trust MFS Emerging Markets Equity Trust: 0.04% of the NAV of the Trust MFS Hedged Global Equity Trust: 0.00% of the NAV of the Trust MFS Prudent Capital Trust: 0.05% of the NAV of the Trust MFS Global Opportunistic Fixed Income Trust: 0.00% of the NAV of the Trust MFS Global Opportunistic Fixed Income Trust - I Class: 0.00% of the NAV of the Trust MFS Global New Discovery Trust 0.00% of the NAV of the Trust MFS Global New Discovery Trust – I Class 0.00% of the NAV of the Trust MFS Global New Discovery Trust – Z Class 0.00% of the NAV of the Trust MFS Global Equity Trust II - Class I Unhedged 0.00% of the NAV of the Trust MFS Global Equity Trust II - Class I Hedged 0.00% of the NAV of the Trust	Transaction costs are variable and deducted from the Trust as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the Buy/Sell Spread. Any transaction costs at the interposed vehicle level are reflected in the value of the Trust's investment in the relevant interposed vehicle, and therefore reflected in the unit price.
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
Establishment fee The fee to open your investment	Not applicable	Not applicable
Contribution fee The fee on each amount contributed to your investment	Not applicable	Not applicable

MFS Trusts		
Type of fee or cost	**Amount**	**How and when paid**
Buy/Sell Spread An amount deducted from your investment representing costs incurred in transactions by the scheme	MFS Global Equity Trust: 0.15% upon entry and 0.15% upon exit MFS Blended Research® Global Equity Trust: 0.25% upon entry and 0.25% upon exit MFS Concentrated Global Equity Trust: 0.15% upon entry and 0.15% upon exit MFS Emerging Markets Equity Trust: 0.35% upon entry and 0.35% upon exit MFS Hedged Global Equity Trust: 0.15% upon entry and 0.15% upon exit MFS Prudent Capital Trust: 0.18% upon entry and 0.18% upon exit MFS Global Opportunistic Fixed Income Trust: 0.22% upon entry and 0.22% upon exit MFS Global Opportunistic Fixed Income Trust - I Class: 0.22% upon entry and 0.22% upon exit MFS Global New Discovery Trust 0.15% upon entry and 0.15% upon exit MFS Global New Discovery Trust – I Class 0.15% upon entry and 0.15% upon exit MFS Global New Discovery Trust – Z Class 0.15% upon entry and 0.15% upon exit MFS Global Equity Trust II - Class I Unhedged 0.15% upon entry and 0.15% upon exit MFS Global Equity Trust II - Class I Hedged 0.15% upon entry and 0.15% upon exit	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Trust and are not separately charged to the investor. The Buy Spread is paid into the Trust as part of an application and the Sell Spread is left in the Trust as part of a redemption.
Withdrawal fee The fee on each amount you take out of your investment	Not applicable	Not applicable
Exit fee The fee to close your investment	Not applicable	Not applicable
Switching fee The fee for changing investment options	Not applicable	Not applicable

[1] All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below for more details as to how the relevant fees and costs are calculated.

Additional Explanation of Fees and Costs

Management fees and costs

The management fees and costs include amounts payable for administering and operating the Trust, investing the assets of the Trust, expenses and reimbursements in relation to the Trust and indirect costs if applicable.

Management fees and costs do not include performance fees or transaction costs, which are disclosed separately.

MFS Trusts	Management fees
MFS Global Equity Trust	0.77% of the NAV of the Trust
MFS Blended Research® Global Equity Trust	0.50% of the NAV of the Trust
MFS Concentrated Global Equity Trust	0.90% of the NAV of the Trust
MFS Emerging Markets Equity Trust	0.90% of the NAV of the Trust
MFS Hedged Global Equity Trust	0.03% of the NAV of the Trust
MFS Prudent Capital Trust	0.90% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust	0.59% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust - I Class	0.50% of the NAV of the Trust
MFS Global New Discovery Trust	1.00% of the NAV of the Trust
MFS Global New Discovery Trust – I Class	0.85% of the NAV of the Trust
MFS Global New Discovery Trust – Z Class	0.00% of the NAV of the Trust
MFS Global Equity Trust II - Class I Unhedged	0.65% of the NAV of the Trust
MFS Global Equity Trust II - Class I Hedged	0.68% of the NAV of the Trust

The management fees component of management fees and costs outlined in the table above are payable to the Responsible Entity of the Trust for managing the assets and overseeing the operations of the Trust. The management fees component is accrued daily and paid from the Trust monthly in arrears and reflected in the daily unit price. As at the date of this RG, the management fees component covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

MFS Trusts	Indirect costs and other expenses
MFS Global Equity Trust	0.00% of the NAV of the Trust
MFS Blended Research® Global Equity Trust	0.00% of the NAV of the Trust
MFS Concentrated Global Equity Trust	0.00% of the NAV of the Trust
MFS Emerging Markets Equity Trust	0.00% of the NAV of the Trust
MFS Hedged Global Equity Trust	0.77% of the NAV of the Trust
MFS Prudent Capital Trust	0.00% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust	0.00% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust - I Class	0.00% of the NAV of the Trust
MFS Global New Discovery Trust	0.00% of the NAV of the Trust
MFS Global New Discovery Trust – I Class	0.00% of the NAV of the Trust
MFS Global New Discovery Trust – Z Class	0.00% of the NAV of the Trust
MFS Global Equity Trust II - Class I Unhedged	0.00% of the NAV of the Trust
MFS Global Equity Trust II - Class I Hedged	0.00% of the NAV of the Trust

The indirect costs and other expenses component outlined in the table above may include other ordinary expenses of operating the Trust, as well as management fees and costs (if any) arising from interposed vehicles in or through which the Trust invests and the costs of investing in over-the-counter derivatives to gain investment exposure to assets or implement the Trust's investment strategy. The indirect costs and other expenses component is variable and reflected in the unit price of the Trust as the relevant fees and costs are incurred. They are borne by the investors, but they are not paid to the Responsible Entity or Investment Manager other than in its capacity as the investment manager of the underlying fund. The indirect costs and other expenses component is based on the relevant costs incurred during the financial year ended 30 June 2021.

Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this RG, updates will be provided on Equity Trustees' website at www.eqt.com.au/insto where they are not otherwise required to be disclosed to investors under law.

Transaction costs

In managing the assets of the Trust, the Trust may incur transaction costs such as brokerage, Buy/Sell Spreads in respect of the underlying investments of the Trust, settlement costs, clearing costs and applicable stamp duty when assets are bought and sold, and the costs of over-the-counter derivatives that reflect transaction costs that would arise if the Trust held the ultimate reference assets, as well as the costs of over-the-counter derivatives used for hedging purposes. Transaction costs also include costs incurred by interposed vehicles in which the Trust invests (if any), that would have been transaction costs if they had been incurred by the Trust itself. Transaction costs are an additional cost to the investor where they are not recovered by the Buy/Sell Spread, and are generally incurred when the assets of the Trust are changed in connection with day-to-day trading or when there are applications or withdrawals which cause net cash flows into or out of the Trust.

The Buy/Sell Spread that is disclosed in the Fees and Costs Summary is a reasonable estimate of transaction costs that the Trust will incur when buying or selling assets of the Trust. These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Trust and are not separately charged to the investor. The Buy Spread is paid into the Trust as part of an application and the Sell Spread is left in the Trust as part of a redemption and not paid to Equity Trustees or the Investment Manager.

MFS Trusts	Estimated Buy/Sell Spread	The dollar value of these costs based on an application or a withdrawal of $ $500,000
MFS Global Equity Trust	0.15% upon entry and 0.15% upon exit	$750
MFS Blended Research® Global Equity Trust	0.25% upon entry and 0.25% upon exit	$1,250
MFS Concentrated Global Equity Trust	0.15% upon entry and 0.15% upon exit	$750
MFS Emerging Markets Equity Trust	0.35% upon entry and 0.35% upon exit	$1,750
MFS Hedged Global Equity Trust	0.15% upon entry and 0.15% upon exit	$750
MFS Prudent Capital Trust	0.18% upon entry and 0.18% upon exit	$900
MFS Global Opportunistic Fixed Income Trust	0.22% upon entry and 0.22% upon exit	$1,100
MFS Global Opportunistic Fixed Income Trust - I Class	0.22% upon entry and 0.22% upon exit	$1,100
MFS Global New Discovery Trust	0.15% upon entry and 0.15% upon exit	$750
MFS Global New Discovery Trust – I Class	0.15% upon entry and 0.15% upon exit	$750
MFS Global New Discovery Trust – Z Class	0.15% upon entry and 0.15% upon exit	$750
MFS Global Equity Trust II - Class I Unhedged	0.15% upon entry and 0.15% upon exit	$750
MFS Global Equity Trust II - Class I Hedged	0.15% upon entry and 0.15% upon exit	$750

The Buy/Sell Spread can be altered by the Responsible Entity at any time and www.mfs.com or www.eqt.com.au/insto will be updated as soon as practicable to reflect any change. The Responsible Entity may also waive the Buy/Sell Spread in part or in full at its discretion. The transaction costs figure in the Fees and Costs Summary is shown net of any amount recovered by the Buy/Sell Spread charged by the Responsible Entity.

Transaction costs generally arise through the day-to-day trading of the Trust's assets and are reflected in the Trust's unit price as an additional cost to the investor, as and when they are incurred.

MFS Trusts	Gross transaction costs
MFS Global Equity Trust	0.01% of the NAV of the Trust
MFS Blended Research® Global Equity Trust	0.11% of the NAV of the Trust
MFS Concentrated Global Equity Trust	0.03% of the NAV of the Trust
MFS Emerging Markets Equity Trust	0.36% of the NAV of the Trust
MFS Hedged Global Equity Trust	0.06% of the NAV of the Trust
MFS Prudent Capital Trust	0.06% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust	0.03% of the NAV of the Trust
MFS Global Opportunistic Fixed Income Trust - I Class	0.03% of the NAV of the Trust
MFS Global New Discovery Trust	0.10% of the NAV of the Trust
MFS Global New Discovery Trust – I Class	0.10% of the NAV of the Trust
MFS Global New Discovery Trust – Z Class	0.10% of the NAV of the Trust
MFS Global Equity Trust II - Class I Unhedged	0.01% of the NAV of the Trust
MFS Global Equity Trust II - Class I Hedged	0.06% of the NAV of the Trust

The gross transaction costs for the MFS Global New Discovery Trust, MFS Global New Discovery Trust – I Class, MFS Global New Discovery Trust – Z Class, MFS Global Equity Trust II - Class I Unhedged and MFS Global Equity Trust II - Class I Hedged are an estimate as the inception of these Trusts were after 30 June 2021.

In relation to the costs that have been estimated, they have been estimated on the basis of relevant information for a similar product offering in the market offered by the Investment Manager.

However, actual transaction costs for future years may differ.

Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Equity Trustees is entitled is outlined in the table below.

MFS Trusts	Maximum management fee
MFS Global Equity Trust	1% of the NAV of the Trust
MFS Blended Research® Global Equity Trust	2% of the GAV of the Trust
MFS Concentrated Global Equity Trust	2% of the GAV of the Trust
MFS Emerging Markets Equity Trust	2% of the GAV of the Trust
MFS Hedged Global Equity Trust	2% of the GAV of the Trust
MFS Prudent Capital Trust	2% of the GAV of the Trust
MFS Global Opportunistic Fixed Income Trust	2% of the GAV of the Trust
MFS Global Opportunistic Fixed Income Trust - I Class	2% of the GAV of the Trust
MFS Global New Discovery Trust	2% of the GAV of the Trust
MFS Global New Discovery Trust – I Class	2% of the GAV of the Trust
MFS Global New Discovery Trust – Z Class	2% of the GAV of the Trust
MFS Global Equity Trust II - Class I Unhedged	2% of the GAV of the Trust
MFS Global Equity Trust II - Class I Hedged	2% of the GAV of the Trust

However, Equity Trustees does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this RG. Equity Trustees also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Trust and as such these expenses may increase or decrease accordingly, without notice.

Payments to IDPS Operators

Subject to the law, annual payments may be made to some IDPS Operators because they offer the Trust on their investment menus. Product access is paid by the Investment Manager out of its investment management fee and is not an additional cost to the investor.

Differential fees

The Investment Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients or New Zealand Wholesale Investors. Please contact the Investment Manager on +612 9228 0400 for further information.

Taxation

Please refer to Section 7 of the relevant Product Disclosure Statement and Section 5 of this Reference Guide for further information on taxation.

6. Other important information

Taxation

A number of tax reform measures are currently under review by the Australian Government. These reforms may impact on the tax position of the Trust and its investors. Accordingly, it is recommended that investors seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Trust.

Your privacy

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. Equity Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, Equity Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to Equity Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Investment Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, Equity Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. Equity Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Trust, including the Investment Manager, Custodian and Administrator, auditors, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

Equity Trustees or the Investment Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to "opt out" of such communications by contacting us using the contact details below.

In addition to the above information, Equity Trustees' Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of Equity Trustees' Privacy Policy is available at www.eqt.com.au. You can also request a copy by contacting Equity Trustees' Privacy Officer on +61 3 8623 5000 or by email to privacy@eqt.com.au.

The Constitution

The Trust is governed by a constitution that sets out the Trust's operation (the "Constitution"). The Constitution, together with the Trust's PDS, the Corporations Act and other laws, regulate our legal relationship with investors in the Trust. If you invest in the Trust, you agree to be bound by the terms of the Trust's PDS and the Trust's Constitution. You can request a copy of the Constitution free of charge from Equity Trustees. Please read these documents carefully before investing in the Trust.

We may amend the Constitution from time to time in accordance with the provisions in the Constitution and the Corporations Act.

Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF")

Australia's AML/CTF laws require Equity Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that Equity Trustees must hold up-to-date information about investors (including beneficial owner information) in the Trust.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC Documents when requested, Equity Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, Equity Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). Equity Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

Equity Trustees shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

Indirect Investors

You may be able to invest indirectly in the Trust via an IDPS by directing the IDPS Operator to acquire units on your behalf. If you do so, you will need to complete the relevant forms provided by the IDPS Operator and not the Application Form accompanying the PDS. This will mean that you are an Indirect Investor in the Trust and not an investor or member of the Trust. Indirect Investors do not acquire the rights of an investor as such rights are acquired by the IDPS Operator who may exercise, or decline to exercise, these rights on your behalf.

Indirect Investors do not receive reports or statements from us and the IDPS Operator's application and withdrawal conditions determine when you can direct the IDPS Operator to apply or redeem. Your rights as an Indirect Investor should be set out in the IDPS Guide or other disclosure document issued by the IDPS Operator.

Information on underlying investments

Information regarding the underlying investments of the Trust will be provided to an investor of the Trust on request, to the extent Equity Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

Foreign Account Tax Compliance Act ("FATCA")

In April 2014, the Australian Government signed an intergovernmental agreement ("IGA") with the United States of America ("U.S."), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office ("ATO"). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Trust, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Trust suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Trust.

Common Reporting Standard ("CRS")

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

7. Glossary

ABN

Australian Business Number.

AFSL

Australian Financial Services Licence.

AML/CTF Act

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Rules, as amended from time to time.

APIR Code

This is a unique code for products in the financial services industry.

Application Form

The application form that accompanies the PDS.

Application Price

The NAV of the relevant Trust, or class in the Trust divided by the number of units on issue in that Trust, or class in that Trust plus any Buy Spread.

ARSN

Australian Registered Scheme Number.

ASIC

Australian Securities and Investments Commission.

Bottom-up

An investment strategy in which companies are considered based on their own merit, without regard for the sectors they are part of, or the current economic conditions.

Business Day

A day other than Saturday or Sunday on which banks are open for general banking business in Sydney.

Buy Spread/Sell Spread

The difference between the Application Price and Withdrawal Price of units in the Trusts, which reflects the estimated transaction costs associated with buying or selling the assets of the Trust, when investors invest in or withdraw from the Trusts.

Constitution

The document which describes the rights, responsibilities and beneficial interest of both investors and the Responsible Entity in relation to the Trust, as amended from time to time.

Corporations Act

The Corporations Act 2001 and Corporations Regulations 2001 (Cth), as amended from time to time.

Currency Hedging

A technique used in an effort to offset the risks associated with the changing value of currency.

Custodian and Administrator

State Street Australia Limited trading as State Street Global Services.

Debt Instrument

Debt instruments represent obligations of corporations, governments, and other entities to repay money borrowed, or other instruments believed to have debt-like characteristics. The issuer or borrower usually pays a fixed, variable, or floating rate of interest, and must repay the amount borrowed, usually at the maturity of the instrument. Debt instruments generally trade in the over-the-counter market and can be less liquid than other types of investments, particularly during adverse market and economic conditions. During certain market conditions, debt instruments in some or many segments of the debt market can trade at a negative interest rate (i.e., the price to purchase the debt instrument is more than the present value of expected interest payments and principal due at the maturity of the instrument). Some debt instruments, such as zero coupon bonds or payment-in-kind bonds, do not pay current interest. Other debt instruments, such as certain mortgage-backed securities and other securitized instruments, make periodic payments of interest and/or principal. Some debt instruments are partially or fully secured by collateral supporting the payment of interest and principal.

Derivative

Derivatives are financial contracts whose value is based on the value of one or more underlying indicators or the difference between underlying indicators. Underlying indicators may include a security or other financial instrument, asset, currency, interest rate, credit rating, commodity, volatility measure, or index. Derivatives often involve a counterparty to the transaction. Derivatives include futures, forward contracts, options, swaps, and certain complex structured securities.

Emerging Markets

Emerging market countries are countries whose financial and capital markets are in the development phase and include countries located in Latin America, Asia, Africa, the Middle East, and developing countries of Europe, primarily Eastern Europe.

Fundamental Research

Analysis of the value of shares and other interests in a company based on factors such as earnings, cash flows, competitive position, and management ability that are "fundamental" to the enterprise of the company in question.

Gross Asset Value (GAV)

The value of the assets of the Trust or class without taking into account the liabilities of that Trust or class.

GST

Goods and Services Tax.

Hedge

An investment made in an effort to reduce the risk of adverse price movements in a security by taking an offsetting position in another investment.

IDPS

Investor-Directed Portfolio Service or investor-directed portfolio-like managed investment scheme. An IDPS is generally the vehicle through which an investor purchases a range of underlying investment options from numerous investment managers. In New Zealand, the IDPS needs to be licensed as a Discretionary Investment Management Service provider.

IDPS Guide

Investor-Directed Portfolio Service guide.

IDPS Operator

An entity responsible for operating an IDPS.

Indirect Investors

Individuals who invest in the Trust through an IDPS.

Net Asset Value (NAV)

The value of the assets of the Trust or class less the value of the liabilities of that Trust or class.

Quantitative Research

Quantitative research refers to an investment approach that evaluates securities based on quantitative analysis. Quantitative analysis refers to economic, business or financial analysis that aims to understand or predict behavior or events through the use of mathematical measurements and calculations, statistical modeling and research. In quantitative investing, the manager builds computer based models to determine whether an investment is attractive. Quantitative investment strategies often use rules based portfolio construction processes, risk management processes, and other areas of study which provide a quantified understanding of risk and potential return.

Retail Client

Person or entities defined as such under section 761G of the Corporations Act.

US Person

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

(a) any citizen of, or natural person resident in, the US, its territories or possessions; or

(b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(c) any agency or branch of a foreign entity located in the US; or

(d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any Trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

Volatility

The extent of fluctuation in share prices, exchange rates, interest rates, etc. The higher the volatility of share prices, the less certain an investor is of return, and hence volatility is one measure of risk.

We, us

Refers to Equity Trustees.

Wholesale Client

Person or entities defined as such under section 761G of the Corporations Act.

Wholesale Investor

A Wholesale Client who also meets the definition of wholesale investor under clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand).

Withdrawal Price

NAV of the Trust, or class in the Trusts divided by the number of units on issue in that Trust, or class in that Trust, less any Sell Spread.

8. Contact us

Client Service Enquiries

For all general enquiries and enquiries regarding information on units held, distributions, unit history and change of address, please contact MFS on:

MFS International Australia Pty Ltd
Level 15, 20 Martin Place
SYDNEY NSW 2000
Email: ClientServiceAustralia@mfs.com
Phone: +612 9228 0400
Website access: **www.mfs.com**

Applications and Withdrawals

All original initial Application Forms must be mailed to:
MFS International Australia Pty Ltd
Applications and Withdrawals C/- Unit Registry
Level 14, 420 George Street, Sydney, NSW 2000
Additional Application and Withdrawal Forms can be faxed to:
+612 9323 6411

Trust Enquiries

For enquiries regarding information on the Trusts offered by MFS please contact:

In Sydney:

Marian Poirier
Phone: +612 9228 0412
Email: **mpoirier@mfs.com**

Clare Sa'adeh
Phone: +612 9228 0414
Email: **csaadeh@mfs.com**

Anna Martin (platform enquiries)
Phone: +612 9228 0411
Email: **amartin@mfs.com**

Daniel Bristow (consultant enquiries)
Phone: +61 9228 0435
Email: **dbristow@mfs.com**

In Melbourne:

Josh Barton
Phone: +613 8601 4003
Email: **jbarton@mfs.com**

For all enquiries regarding information on the Responsible Entity please contact:

Russell Beasley
Executive General Manager, Corporate Trustee Services Australia
Equity Trustees Limited Level 1, 575 Bourke Street
MELBOURNE VIC 3000

Phone: +613 8623 5303
Email: **rbeasley@eqt.com.au**