



Product Profile

Australian Foundation for Charitable Trusts (AFCT)

The Public Trustee of Queensland (PTQ) is the trustee and manager of the AFCT and is responsible for determining the investment objectives and strategy of the AFCT, arranging for the proper investment of all monies, and ensuring that the Investment Manager achieves acceptable rates of return. QIC Limited (QIC) is the Investment Manager of the AFCT. QIC is a global diversified alternative investment manager with over \$102.8 billion¹ in assets under management and currently provides investment management services to over 115 institutional clients in Australia and internationally.

¹ as at 30 June 2023

Performance ¹	3 Month	FYTD	1 Year	Since Inception ³
Period ending (31/03/2024)				
Net Return ² (% p.a.)	5.51	11.69	12.68	4.62

¹ Past returns should not be taken as an indication of future returns.

² Net Return is calculated from exit price to exit price with distributions reinvested. Periods greater than one year are annualised.

³ Returns are dated as at June 2021.

Investment Aims and Objectives: The investment objective of the AFCT is to maintain the real value of the capital invested and to provide for distributions of 2.5% per annum (before fees and expenses), over rolling ten-year periods. QIC as the Investment Manager seeks to achieve a total return of CPI plus 2.5% per annum (before fees and expenses), over rolling ten-year periods.

Investor Type Suited: The AFCT has been established to provide an investment solution for customers with a long-term investment horizon and the need to distribute income. The AFCT will be the preferred investment vehicle for Estates Under Administration which are perpetual charitable trusts.

Asset Allocation: The AFCT currently gains exposure to the various asset classes and investment sectors by investing in the QIC Diversified Australian Equities Fund, QIC Long Term Diversified Fund and QIC Short Term Income Fund (collectively the QIC Funds). Liquidity for the AFCT is managed with an investment in the range of approximately zero to one percent of the AFCT's assets in cash at bank. The asset allocation strategy of the AFCT is managed within the three aforementioned QIC funds, which collectively hold a diversified portfolio of assets including Australian and international shares, fixed interest, property, infrastructure, private equity, private debt, alternative assets and cash.

Asset Allocation Ranges ¹		Key Data – as at 31 March 2024	
Asset Class ²	Range%	General Classification	Multi-sector
Global Equities	55% - 85%	Investment Timeframe	Rolling 10-year periods
Global Real Estate	0% - 7%	Date Established	17 May 2021
Global Infrastructure	0% - 7%	Size of AFCT	\$199.8 million
Global Private Equity	0% - 5%	Minimum Initial Investment	\$250,000, subject to Trustee's discretion to accept lower amounts
Global Private Debt	0% - 5%	Minimum Additional Investment	\$5,000, subject to Trustee's discretion to accept lower amounts
Other Alternatives ³	0% - 14%	Minimum Withdrawal	\$5,000, subject to Trustee's discretion to accept lower amounts
Global Fixed Interest ⁴	5% - 45%	Distribution Frequency	Annually, within 25 business days of end of the financial year
Cash	0% - 22.5%	Distribution Reinvestment	No
Overlays		Statement Frequency	Annually, by 30 September
Foreign Currency	0% - 20%	Entry Price (post distribution)	1.013847
Credit ⁴	0% - 18%	Exit Price (post distribution)	1.010405
		Buy Spread	+0.17%
		Sell Spread	-0.17%
		Fees	Entry Fee: Nil
			Exit Fee: Nil
			Brokerage: Nil

¹ The AFCT gains investment exposure to the above asset classes by investing in the QIC Funds. These ranges are determined by QIC and can and do change from time to time.

² The QIC Funds' exposure to the asset class may be by direct or indirect ownership of the asset or exposure to the asset via derivative instruments.

³ May include investments in real assets such as Timber, Commodities, and Natural Resources.

⁴ Global fixed interest and credit exposures can be reported at various interest rate and credit spread durations respectively which will directly determine the volatility experienced. For example, if the interest rate duration target is 10 years, a 2% notional exposure to a fixed interest security with a duration of 8 years is reported as a 1.6% exposure. Similarly if the credit spread duration target is 5 years, a 2% notional exposure to credit with a duration of 3 years is reported as a 1.2% exposure. The QIC Long Term Diversified Fund defines and reports its fixed interest exposure in terms of 10-year interest rate duration and its credit exposure in terms of a 5-year credit spread duration. The QIC Long Term Diversified Fund may also contain inflation exposures, which may be implemented via either physical and/or synthetic instruments.

Annual Management Cost ⁵		Key Features	
Trustee Fee ¹	0.79% p.a.	<ul style="list-style-type: none"> • Transacts monthly on the third Thursday of each month. • The Trustee Fee and all other expenses are paid directly from the AFCT. • There is no Trustee Fee Rebate. 	
QIC Investment Manager Fee ²	0.25% p.a.		
QIC Fund Expenses ³	0.20% p.a. to 0.40% p.a.		
Fund Administration Fee ⁴	\$150,000 p.a.		

¹ The Trustee Fee is payable to us for acting as trustee and managing the AFCT. The Trustee Fee is calculated daily based on the net asset value of the AFCT and is deducted from the AFCT's assets monthly in arrears, thereby reducing your investment returns. In comparison, the underlying QIC Funds' Expenses are deducted from the assets of the applicable underlying QIC Fund, thereby reducing the investment returns of that Fund.

² QIC's Investment Manager Fee is paid directly from the AFCT.

³ The amounts shown are estimates only of the QIC Funds' Expenses. The estimate is not necessarily indicative of future expenses.

⁴ Fund Administration Fee reflects Annual Report Figures dated 30 June 2023.

⁵ Any other expenses other than above fees and cost are paid directly from AFCT.

Disclaimer

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