

Reference Guide

CT Pyrford Global Absolute Return Fund

ARSN: 168 994 205 APIR: PER0728AU

8 August 2024

Perpetual Trust Services Limited

ABN 48 000 142 049

Australian Financial Services Licence (AFSL) No. 236648

The information in this document forms part of the product disclosure statement (**PDS**) dated 8 August 2024 by Perpetual Trust Services Limited ABN 48 000 142 049 (**Responsible Entity**) as responsible entity of the CT Pyrford Global Absolute Return Fund ARSN 168 994 205

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ISSUER AND RESPONSIBLE ENTITY

Perpetual Trust Services Limited

ABN 48 000 142 049

Level 18, 123 Pitt Street

Sydney NSW 2000

Tel: +61 2 9229 9000

Web: <https://www.perpetual.com.au>

INVESTMENT MANAGER

Pyrford International Limited

ARBN 165 504 414

Quay Quarter, Level 2,

50 Bridge Street, Office #204

Sydney, NSW 2000

Email: [aus_ws_client_service@](mailto:aus_ws_client_service@columbiathreadneedle.com)

[columbiathreadneedle.com](https://www.columbiathreadneedle.com)

Web: <https://www.columbiathreadneedle.com.au>

CUSTODIAN AND ADMINISTRATOR

State Street Australia Limited

Level 14, 420 George Street

Sydney NSW 2000

The information in this Reference Guide forms part of the PDS issued by Perpetual Trust Services Limited (**Perpetual, Responsible Entity, we, our or us**) as the responsible entity of the CT Pyrford Global Absolute Return Fund (the Fund). Defined terms used in the PDS have the same meaning in this Reference Guide unless stated otherwise. We recommend that you keep a copy of the PDS for the Fund and this Reference Guide for future reference.

The Information in the PDS and this Reference Guide is general information only and has been prepared without considering your personal objectives, financial situation or needs. You should read this Reference Guide together with the PDS (in their entirety) before deciding to invest in the Fund. Before investing, you should obtain financial advice tailored to your personal circumstances. A Target Market Determination (**TMD**) is made available for the Fund. You can access the PDS, TMD and Reference Guide at <https://www.columbiathreadneedle.com.au>. We will provide you a hard copy of the PDS, TMD and this Reference Guide free of charge upon request by contacting us. Information in this Reference Guide is up-to-date as of the date of this Reference Guide but may change from time to time.

We consent to the use of this Reference Guide by operators of IDPS, master funds, wraps or similar platform products (referred to as **IDPS**) who include the Fund on their investment menus.

1. About Perpetual Trust Services Limited

No additional information.

2. How the CT Pyrford Global Absolute Return Fund Works

Your Interests

We may accept or decline all or part of an application without giving any reason. Application money is deposited into a non-interest-bearing account pending processing.

Unit Pricing Policy

The Fund's assets and liabilities are usually valued each Business day. Generally, for unit pricing purposes, listed securities are valued using the last available market close price quoted on the relevant exchange. Other assets are generally valued at recoverable value. Any income entitlements, cash at bank, and any amount of Goods and Services Tax ('GST') recoverable by the Fund from the Australian Taxation Office are also included in asset values used to calculate the application and withdrawal unit price.

Generally, for unit pricing purposes, liabilities are valued at cost. Liabilities also include an accrual for management costs and for costs (if any) that an investor would ordinarily incur when investing in the Fund's underlying assets.

We have a policy for unit pricing discretions. The types of discretion we may exercise and when we can exercise the discretion are set out in our Unit Pricing Policy. The Unit Pricing Policy is available by contacting Perpetual at no charge.

Confirmation of investments or withdrawals won't be provided for the regular investment or withdrawal plans.

You may invest indirectly in the Fund as an investor through an IDPS operator who acquires units in the Fund on your behalf. An indirect investor does not hold units in the Fund and does not acquire any rights relating to the Fund. The IDPS operator acquires these rights and can exercise, or decline to exercise, rights on your behalf according to the arrangements governing the IDPS. The offer document for your IDPS should have further details. The IDPS operator will provide you with all reporting for the Fund. The net performance of your investment in the Fund may be different from the information we publish, due to cash flows specific to your portfolio and any fees charged by the IDPS operator.

Staggering or Freezing of Withdrawals

Where the Fund is liquid, the responsible entity is required to process withdrawal requests.

Where the withdrawal request from an investor represents more than 5% of the number of units on issue (**Single Large Withdrawal**), or where the withdrawal requests from investors over 5 successive Business days represent more than 10% of the number of units on issue (**Multiple Large Withdrawals**), the Responsible Entity may treat the original request(s) as separate withdrawal requests to be processed, in the case of a Single Large Withdrawal, over the next 5 successive Business days commencing on the Business day when the original request was received, or in the case of Multiple Large Withdrawals, every 5 Business days commencing on the Business day that the more than 10% threshold was reached.

Where we determine it is desirable for the protection of the Fund or for the interests of the investors, we may suspend the issue or withdrawal of units or the calculation of application or withdrawal prices.

These circumstances are:

- closure or restriction of trading of a financial, stock, bond, note, derivative or foreign exchange markets.
- an emergency or other state of affairs so that it is not reasonably practicable for us to acquire or dispose of units or determine unit prices; and
- a declaration of a moratorium in a country where the Fund has a significant portion of its investments.

Where withdrawals are frozen, applications will also be suspended. For withdrawal or application requests lodged during a freeze period, the withdrawal and application prices will be those next calculated after the end of the suspension.

Under the Corporations Act, a Fund is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the Fund. Liquid assets generally include money in an account or on deposit with a bank, bank-accepted bills, marketable securities and property of the kind prescribed under the Corporations Act. As at the date of this Reference Guide, the Fund is liquid.

Anti-Money Laundering Requirements

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (**AML/CTF Act**) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity (**AML/CTF Requirements**), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML/CTF Act is enforced by the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). In order to comply with the AML/CTF Requirements, the Responsible Entity is required to, amongst other things:

- verify your identity and source of your application monies before providing services to you, and to re-identify you if we consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation as required by the relevant laws and legislations.

The Responsible Entity and any agent acting on our behalf reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Responsible Entity may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML/CTF Requirements applicable to them. Neither the Responsible Entity nor its agents shall be liable to you for any loss suffered by you because of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Responsible Entity has implemented several measures and controls to ensure we comply with our obligations under the AML/CTF Requirements, including carefully identifying and monitoring investors. Because of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where the Responsible Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML/CTF Requirements;
- where transactions are delayed, blocked, frozen or refused, the Responsible Entity or our agents are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or because of the Responsible Entity's compliance with the AML/CTF Requirements as they apply to the Fund; and
- the Responsible Entity or any agents acting on our behalf may from time to time require additional information from you to assist it in this process.

The Responsible Entity has certain reporting obligations under the AML/CTF Requirements and is prevented from informing you that any such reporting has taken place. Where required by law, the Responsible Entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. Neither the Responsible Entity nor our agents are liable for any loss you may suffer because of the Responsible Entity's compliance with the AML/CTF Requirements.

Privacy

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to our related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold;
- how we collect and hold personal information;
- the purposes for which we collect, hold, use and disclose personal information;
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);
- how you may complain about a breach of the Australian Privacy Principles (**APP**), or a registered APP code (if any) that binds us, and how we will deal with such a complaint; and
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at our website at <https://www.perpetual.com.au> or you can obtain a copy free of charge by contacting us.

If you are investing indirectly through an IDPS, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact your IDPS operator for more information about their privacy policy.

Fund Performance and Size

If you are interested in up to date performance of the Fund, the latest investment mix of the Fund, current unit price or the current size of the Fund, then ask your financial adviser or go to <https://www.columbiathreadneedle.com.au>. Your financial adviser will give you paper copies of the information free of charge. You can always call us, our details are at page 1 of the PDS and this Reference Guide. Up to date information is always free of charge.

Past performance is not a reliable indicator of future performance. Returns are not guaranteed.

Compulsory Withdrawals

In some circumstances and according to the Fund Constitution, we may also compulsorily withdraw your units, for example, where we suspect that a law prohibits you from being an investor in the Fund.

3. Benefits of investing in the CT Pyrford Global Absolute Return Fund

Rights of Investors

The Fund was established by a Constitution dated 7 April 2014, as amended from time to time.

The Constitution, together with the Corporations Act, sets out the legal rights, duties and obligations of Perpetual as Responsible Entity and of investors in the Fund and includes the following provisions:

- the rights, interests and liabilities of investors;
- the duties and obligations of Perpetual;
- investment, valuation and borrowing powers;
- fees and recoverable expenses;
- unit application and withdrawal procedures;
- convening and conduct of investor meetings;
- the duration and termination of the Fund;
- the right to Fund distributions; and
- the right to a limitation of liability of unit holders to the issue price of units (however, this limitation has not been tested before superior courts).

If investing through an IDPS, you do not become an investor in the Fund, the IDPS operator does so on your behalf. Refer to Section 2, 'Your interests' in the PDS, for further information.

The Constitution allows for more than one class of units to be offered to investors. Currently there is only one class of units.

We may vary the Constitution of the Fund if the variation does not adversely affect investors' rights, or otherwise the variation must be approved by 75% of votes cast by investors in the Fund.

This document contains only a summary of some of these provisions and should be seen as a guide. The Constitution is lodged with ASIC. A copy of the Constitution is available by contacting Perpetual at no charge.

Continuous Disclosure

We will:

- confirm every transaction you make;
- following the month of June each year, send you a report to help you complete your tax return;
- each year (around September) make the financial accounts of the Fund available to you on <https://www.columbiathreadneedle.com.au>;
- send you an annual statement;
- notify you of any material changes to the PDS and this Reference Guide and any other significant event as required by law; and
- place updated information that is not materially adverse or subject to change from time to time on the Fund's website.

Where the Fund has 100 investors or more, the Fund will be considered a "disclosing entity" for the purpose of the Corporations Act and will be subject to regular reporting and disclosure obligations. Any continuous disclosure obligations we have will be met by following ASIC's good practice guidance via website notices rather than lodging copies of those notices with ASIC.

Accordingly, should we become aware of material information that would otherwise be required to be lodged with ASIC as part of our continuous disclosure obligations, we will ensure that such material information will be made available as soon as practicable on <https://www.columbiathreadneedle.com.au>. If you would like hard copies of this information, call Perpetual on (02) 9229 9000 and we will send it to you free of charge. Copies of any documents lodged with ASIC in relation to the Fund may also be obtained from, or can be inspected at, an ASIC office.

Investors have a right to obtain a copy, free of charge, in respect of the Fund, of the most recent annual financial report and any half-yearly financial report lodged with ASIC after that most recent annual financial report, any continuous disclosure notices given by the Fund after the lodgment of that annual report but before the date of the PDS and this Reference Guide. You also have the right to elect whether to receive notices of meetings, other meeting-related documents, annual financial reports and other Fund related information (each a 'Communications') in electronic or physical form and the right to elect not to receive annual financial reports at all. You also have the right to elect to receive a single specified Communication on an ad hoc basis, in an electronic or physical form. Where we have your email address, we will send these communications electronically. If you wish to receive physical copies, please notify us of this election.

In an effort to protect the confidentiality of its positions and related information, the Fund generally will not disclose information to investors on an ongoing basis except as described in Section 3 of this Reference Guide. However, subject to applicable law, Perpetual and/or the Investment Manager may permit disclosure on a select basis to certain investors under particular circumstances, including:

- to enable investors to comply with their legal or regulatory requirements;
- if the Investment Manager determines that there are sufficient confidentiality agreements and procedures in place; and/or
- other criteria have been met.

Rights of Perpetual

Perpetual:

- may change the terms and conditions set out in the PDS or this Reference Guide;
- may rely on the advice of agents, investment managers, advisers, brokers or other contractors and will not be liable for their acts or omissions, provided it exercises care in their selection;
- is not liable for loss to investors, except to the extent the loss is caused their failure to properly perform their duties as Responsible Entity;
- may be fully indemnified from the Fund for any liability incurred by it in properly performing its duties for the Fund; and
- is not liable to investors to any greater extent than the assets held in the Fund, subject to the Corporations Act.

Retirement of Perpetual

Perpetual may retire as Responsible Entity and may appoint a new responsible entity in accordance with the Corporations Act and the requirements of the investment management agreement entered into between Perpetual and Pyrford.

4. Risks of managed investment schemes

Derivative risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. While the use of derivatives offers the opportunity for higher gains, it can also magnify losses to the Fund. Risks associated with the use of derivatives include that the value of a derivative may fall as a result of an adverse movement in the underlying asset or index, the Fund not being able to meet payment obligations as they arise and the risk that the other party with whom the derivative contract is held will fail to perform its contractual obligations.

Currency risk

The Fund may use currency forward contracts to hedge currency exposure of non-Australian dollar denominated assets. There is a risk that currency fluctuation may adversely impact the value of international stock positions. For example, if the Australian dollar falls, the value of international investments expressed in Australian dollars can increase and has the potential to increase the value of the Fund's investments. Conversely, if the Australian dollar rises, the value of international investments expressed in Australian dollars can decrease and this has the potential to reduce the value of the Fund's investments.

Taxation risk

Changes to taxation legislation or their interpretation may adversely impact upon your after tax returns.

Economic risk

Investment returns are affected by a range of economic factors, including changes in interest rates, exchange rates, inflation, general share market conditions, government policies and the general state of the domestic and world economies.

Operational risk

Perpetual has appointed the Investment Manager, Custodian and Administrator of the Fund. We are satisfied that these providers have in place adequate internal controls. However, there still may be break downs in operations and procedures that cannot be prevented that may result in a loss to the Fund. This could be the result of oversight, ineffective security processing procedures, computer system problems or human error. In addition, the Investment Manager, Custodian and Administrator of the Fund may change.

Conflict of Interest risk

The Investment Manager may be the Investment Manager of other funds not described in this PDS and entities within the 'Perpetual Group' (comprising Perpetual Limited and its subsidiaries, including the Responsible Entity) may act in various capacities (such as Responsible Entity, trustee and custodian) in this structure and for other funds or accounts. The Investment Manager and Perpetual Group have implemented policies and procedures to identify and where possible mitigate or avoid the conflict.

Interest Rate risk

Changes in interest rates may also adversely affect the value or profitability of the assets of the Fund. Changes in the general level of interest rates may impact the Fund's profitability.

Interest rates are highly sensitive to many factors beyond the control of the Fund, including, but not limited to, governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits and regulatory requirements.

5. How we invest your money

Types of Investments

The Fund may obtain exposure to the asset classes referred to in Section 5 of the PDS, "How we invest your money", by investing in exchange traded fund (ETFs).

INVESTMENT GUIDELINES

The following investment guidelines apply to the Fund:

- 20% or less of the Fund's value invested in equities is invested in emerging market countries;
- each equity investment is 5% or less of the total Fund value; and
- the Fund's holding consists of at least 40 securities.

These guidelines are part of the current risk management framework and are reviewed periodically for appropriateness. At times these guidelines may be breached due to market volatility. As such, the guidelines may change from time to time.

Labour Standards And Environmental, Social and Ethical Considerations

The Responsible Entity itself does not take into account labour standards and environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments. The Responsible Entity has delegated investment decisions for the Fund to the Investment Manager pursuant to the investment management agreement.

The Investment Manager seeks to meet its investment objective while taking into account the environmental, social and governance (ESG) factors. Central to Pyrford's investment philosophy is the belief that sustainable earnings can be achieved through responsible environmental and social practices, and that shareholders can benefit from these at well-governed companies. To formalise these considerations of ESG factors, Pyrford has established an ESG forum comprising of representatives from all investment teams within the firm. This forum meets quarterly to discuss wider ESG issues across various industries and sectors, to assess how these considerations impact companies the Fund is, or may, invest in, and assess the impact and outcomes of aligning with these ESG standards.

Pyrford's approach is to consider both positive and negative ESG factors within the totality of their investment research alongside their customary regard for competitive advantage, balance sheet risk and valuation.

Sustainability factors and the investment process

When assessing ESG factors as part of its internal research, Pyrford utilises specialist ESG research from a combination of sources including MSCI, individual company sustainability reports, publications from bodies such as the United Nations Principles for Responsible Investment, Carbon Tracker¹ and the Chartered Financial Analysts Institute, as well as sell-side brokers². Following review of these materials, Pyrford assigns an internal ESG risk rating to every stock researched

that ranges from '1' (low or no risk over next 5 years) to '5' (moderate to high ESG risk over next 5 years) (**Pyrford ESG Rating**). The rating is derived by examining 15 factors which Pyrford has concluded is the most relevant to their investment philosophy and process and are split between the ESG concerns listed below. The Pyrford ESG Rating will be presented for any new stock proposed for inclusion in a portfolio by the investment team responsible for each stock, and will be reviewed at least once per annum by the ESG forum to ensure consistency in application across the portfolio. Noting that there is no minimum rating requirement and stocks of any rating could be included in the portfolio at Pyrford's discretion.

Pyrford ESG Rating scale

The Pyrford ESG Rating is scaled according to the below 5-point matrix.

1	The company faces no material ESG risks over the next 5 years.
2	The company faces low to moderate ESG risks over the next 5 years but has a public and credible plan to mitigate them.
3	The company faces low to moderate ESG risks over the next 5 years and is developing plans to mitigate them; or The company faces moderate to high ESG risks over the next 5 years and has a public and credible plan to mitigate them.
4	The company faces low to moderate ESG risks over the next 5 years but is not adequately addressing them.
5	The company faces moderate to high ESG risks over the next 5 years and is not adequately addressing them.

Pyrford Internal ESG Analysis Framework

The Pyrford ESG Rating scale is attributed according to deliberations on each of the following 15 ESG factors, and the considerations which Pyrford takes into account in relation to each.

Environmental factors	
Greenhouse Gas (GHG) Emissions ³	Whether the company measures and reports on its GHG footprint; and Whether the company has credible initiatives to reduce its GHG footprint.
Climate change	To what extent could climate change negatively impact the operations of the company.
Depletion of resources	Whether the company relies on the use of natural resources (including water) which are becoming scarce in its area of operations.
Toxic chemical use and disposal	Whether the company uses chemicals of which, the accidental release, could be detrimental and/or damaging to the environment.
Business opportunities	Whether the adaption to climate change or other environmental issues present new business opportunities.
Social factors	
Social impact	Whether the company's products or services create negative societal impacts.
Health & Safety	If aspects of the company's operations are hazardous, whether the company has clear policies, accountability and disclosure of Health and Safety metrics.
Discrimination	Whether the company has public policies against workplace discrimination.
Diversity	Whether the company has a public commitment to increase the diversity of its workplace against which it is reporting progress.
Political risk from involvement in troubled markets	Whether the company has material operations in parts of the world where politics is volatile.
Living wage	Whether the company has made a commitment to pay all employees the local living wage.
Governance factors	
Executive Compensation	Whether the interests of shareholders and executives are aligned.
Separation of Chairman/CEO	Whether the roles of CEO and Chairman are separate.
Dual or single share class	Whether all shareholders have equivalent voting rights.
Board independence	Whether the majority of the Board is independent.

¹ Carbon Tracker is an independent financial think tank that carries out in-depth analysis on the impact of the energy transition on capital markets and the potential investment in high-cost, carbon-intensive fossil fuels.

² The data from external resources about the company or the issuer may be incomplete, inaccurate or unavailable. Issuers of securities held by the Fund may meet or fail to meet the ESG criteria from time to time. In these circumstances, the Fund will use reasonable efforts to invest, divest, or otherwise respond to the change within a reasonable period considering the materiality of the change.

³ Greenhouse gas emissions refer to the release of gases such as carbon dioxide, methane, and nitrous oxide into the atmosphere, which trap heat and contribute to global climate change.

Additional to the above ESG rating framework that Pyrford utilises, the Investment Manager will exclude the following:

- companies that derive >0% of their sales from the manufacture of tobacco products, and
- companies that derive >0% of their revenues from the design, production or sales of anti-personnel land mines, cluster munitions or white phosphorous munitions.

Signatory to the UN Principles for Responsible Investment

Pyrford became a signatory to the UN Principles for Responsible Investment in 2014. Written declaration can be found at <https://www.columbiathreadneedle.com/en/pyrford-international/>. In 2017 Pyrford was awarded Tier 1 status under the UK Stewardship code.

Online access to proxy voting activity and annual publication of Pyrford's ESG report describing all activity, including examples of company engagements on ESG issues can be viewed at <https://www.columbiathreadneedle.com.au/en/intm/funds/>.

6. Fees and costs

Additional Explanation of Fees and Costs

Management Fees and Costs

Management fees and costs consist of the management fee for managing the Fund, indirect costs and estimated expense recoveries. The management fees and costs are capped at 0.80% of the NAV of the Fund. Management fees and costs paid out of Fund assets reduce the net asset value of the Fund and are reflected in the unit price. Management costs do not include transaction costs (i.e. costs associated with investing the underlying assets), some of which may be recovered through Buy/Sell Spreads.

Management Fee

The management fee is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund payable to the Investment Manager. Any fees charged by an investment manager will be paid by us out of our management fee and will not be an extra cost to you or the Fund. The management fee is calculated and accrued daily and paid monthly in arrears out of the Fund's assets.

Expense Recoveries

Normal operating expenses

We are entitled to be reimbursed for expenses we incur in the proper performance of our duties and in connection with the day-to-day operation of the Fund out of the assets of the Fund. Normal operating expenses include responsible entity fees, administration and custody fees, audit fees, banking charges, the preparation of accounts and other ordinary expenses incurred in operating the Fund. As at the date of the PDS and this Reference Guide, all normal operating expenses in respect of the Fund are paid out of the management fee and not from the assets of the Fund. Where the management fee payable to the Investment Manager is less than the management fees and costs cap, the Investment Manager will meet the excess management fees and costs out of its own resources and will not seek to recover these costs from the Fund. If you are investing via an IDPS, fees and expenses applicable to the IDPS (as set out in the IDPS offer document or client agreement) are payable in addition to the fees and expenses in the PDS.

Abnormal or extraordinary expenses

In addition to any normal operating expenses, we are also entitled to be reimbursed from the Fund for abnormal expenses, such as the cost of unit holder meetings, defending legal proceedings, special valuation of assets and the costs of terminating the Fund. These abnormal expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any year. If they arise, we may deduct these expenses from the Fund and will be an additional expense to the management fee.

The estimated expense recoveries component set out in the fees and costs summary in the PDS include abnormal or extraordinary expenses of 0.00% p.a. of the NAV of the Fund, which is the amount actually incurred by the Fund previous financial year, including our reasonable estimate of such costs where information was not available as at the date of the PDS and this Reference Guide or where we were unable to determine the exact amount.

Abnormal and extraordinary expenses may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

Indirect Costs

Indirect costs are any amounts (other than the management fee, expense recoveries and transaction costs) that we know, or reasonably ought to know, or where this is not the case, may reasonably estimate has reduced or will reduce, whether directly or indirectly, the return of the Fund or the amount or value of the income of, or property attributable to the Fund (including certain costs of investing in over-the-counter (OTC) derivatives) or the income of or property attributable to an interposed vehicle (such as an underlying fund) in which the Fund invests. As at the date of this Reference Guide, the Fund does not currently invest in OTC derivatives to gain investment exposure to certain assets and does not expect to do so in the upcoming financial years. Neither does the Fund incur indirect costs from gaining investment exposure through underlying funds.

The indirect costs and expense recovery components set out in the fees and costs summary in the PDS is calculated on the basis of the actual amount incurred during the financial year ended 30 June 2023. Actual indirect costs for the current and future years may differ. If in future there is an increase to indirect costs disclosed in this PDS, updates will be provided on our website where they are not otherwise required to be disclosed to investors under law.

Transaction Costs

Transaction costs include the costs associated with buying and selling assets such as brokerage, bid-offer spreads on investments, clearing costs, settlement costs (including custody costs), stamp duties on an investment transaction, currency transactions, borrowing costs and costs associated with trading derivatives. Transaction costs also include costs incurred by an interposed vehicle that would be transaction costs if they had been incurred by the Fund. Transaction costs are not included in the 'management fees and costs'. Instead, they are recovered from the assets of the Fund as and when incurred and reflected in the unit price. As the costs are factored into the asset value of the Fund's assets and reflected in the unit price, they are an additional cost to you. Some of these costs are recovered through the Buy/Sell Spread. A Buy/Sell Spread is an adjustment to the unit price reflecting our estimate of the transaction costs that may be incurred as a result of the purchase/sale of assets arising from the buying/selling of units.

The Transaction costs of the Fund shown in the fees and costs summary above are shown net of any amounts recovered by the Buy/Sell spread charged.

The estimated transaction costs figure disclosed in the fees and costs summary of 0.05% p.a. of NAV of the Fund is calculated using the Fund's actual transaction costs incurred by the Fund for the previous financial year, and our reasonable estimates of such costs where information was unavailable as at the time of this PDS or where we were unable to determine the exact amount. The total net transaction costs of the Fund incurred for the previous financial year including our reasonable estimate of such costs where information was not available as at the date of this PDS or where we were unable to determine the exact amount, was [0.055%] of the NAV of the Fund. These net transaction costs represent estimated total gross transaction costs of approximately [0.055%] of the NAV of the Fund minus the estimated transaction costs which was recouped via the Buy/Sell spread when applications and redemptions in the Fund took place.

The actual transaction costs may differ and will vary based on a number of factors including the volume of transactions undertaken and market conditions generally. This means that estimated and/or historical costs may not be an accurate indicator of the transaction costs an investor may pay in the future.

Buy/Sell Spread

When you invest or withdraw from the Fund, we may include a buy spread component in the purchase price and sell spread component in the withdrawal price to cover the costs of buying or selling the Fund's assets (**Buy/Sell Spread**). The Buy/Sell Spread will generally be incurred when you invest or withdraw from the Fund and are reflected in the Fund unit prices. The purpose of the Buy/Sell Spread is to ensure that only those investors transacting in the Fund's units at a particular time bear the Fund's cost of buying and selling the Fund's assets as a consequence of their transaction. The Buy/Sell Spread is an additional cost to investors and is retained by the Fund and not paid to the Responsible Entity or the Investment Manager.

Currently, our Buy/Sell Spread is estimated to be 0.20% of the unit price (that is +0.20% on the entry price and -0.20% on the exit price). So, if the net asset value of each unit is \$1.00, on entry we adjust the unit price up approximately 0.20% (up 0.20 cents) and on exit we adjust the unit price down approximately 0.20% (down 0.20 cents). There is no spread payable on reinvestment of distributions. Because the Buy/Sell Spread is reflected in the buy/sell unit prices, you won't see transaction costs on any account statement we send you. We may vary the Buy/Sell Spreads from time to time. Updated information on the Buy/Sell Spreads will be posted on www.columbiathreadneedle.com.au.

Maximum Fees

The Fund's Constitution allows us to charge the maximum fees set out in the Constitution. Until further notice we will only charge the lower management fee stated in the PDS and this Reference Guide, rather than the higher management fee set out in the Constitution and will not charge the entry fee and exit fee as summarised in the table below. Fees are shown inclusive of GST less RITC.

For further information about tax, refer to Section 7 of this Reference Guide, "How managed investment schemes are taxed".

Maximum fees in constitution	Actual fee charged
Management fee – 3% p.a. of gross Fund value	0.80% p.a. of NAV of the Fund
Entry fee – 5% of the application price	Nil
Exit fee – 5% of the proceeds of redemption	Nil

Expense recoveries are unlimited under the Constitution. All estimates of fees in this Section 6 are based on information available as at the date of the PDS and this Reference Guide.

Wholesale Investors

We may negotiate management fees individually with certain wholesale investors (as defined by the Corporations Act). All other fees and costs remain the same. Accordingly, we may at our discretion, waive or rebate some of our fees to these wholesale investors so that they pay reduced fees. This is generally because they invest large amounts of money in the Fund. For further information, wholesale investors can contact us via the details specified on page 1 of this Reference Guide.

We may enter into a variety of arrangements with service providers like IDPS operators that may involve us making payments to, and providing services to, these operators in return for the promotion of the Fund. These payments may be one-off or on-going and are paid by us out of our fees and are not an additional cost to investors.

Financial Adviser Remuneration

Your financial adviser will assist you with understanding and managing your investment requirements. You may have to pay a fee to your financial adviser and these costs are in addition to the costs referred to in the PDS and this Reference Guide. You may negotiate with your financial adviser for them to receive an ongoing adviser fee.

Section 7: How managed investment schemes are taxed

Australian Taxation

The taxation information in this Reference Guide is of a general nature and is current as at the date of this Reference Guide. This information provides a general overview of the tax implications for Australian tax resident investors that hold their units on capital account. The application of these laws depends on the individual circumstances of the investor.

The following comments should not be regarded as tax advice and it is recommended that investors should obtain independent professional tax advice about their specific circumstances. This section applies to Australian resident investors only.

The Fund

It is the intention of the Fund to be treated as a flow-through entity for Australian tax purposes. If the Fund does not elect into the Attribution Managed Investment Trust (**AMIT**) regime (refer below AMIT section), Australian income tax won't be payable by the Fund if investors are made 'presently entitled' to all of the distributable income of the Fund for an income year. Net income of the Fund that is not made 'presently entitled' to an investor will be subject to tax at the highest marginal tax rate (plus the Medicare levy).

Investors will be assessed for tax in relation to their proportionate share of the Fund's taxable income. Investors may also be entitled to claim the benefits of some concessions (such as the capital gains tax discount).

However, where the Fund is in a tax loss position in a particular year, the loss is retained in the Fund and is not distributable to investors. The loss can be carried forward by the Fund and used to offset taxable income in a future year (subject to satisfaction of certain loss integrity tests).

The taxable income attributed to an investor will also include amounts of trust income that are reinvested in the Fund through a distribution reinvestment plan. The distributions received may be more or less than the amount of income that is subject to tax. Any reinvested distributions will be received as further units in the Fund.

The Fund will distribute income and capital gains, if any, shortly after 30 June each year. Distributions may comprise the following components:

- assessable income (like dividends and interest);
- net taxable capital gains (from the sale of the Fund's investments, namely the shares in the Underlying Fund); and
- non-assessable amounts (like tax deferred amounts);

We will send you an annual tax statement indicating the components of your distributions each year to assist you in completing your tax return. The annual tax statement will disclose the components of income to which you are attributed for tax purposes as well as any associated cost base adjustment in respect of your units for the Financial Year.

The Responsible Entity is entitled, under the Constitution, to elect the Fund into the AMIT regime. An AMIT, in broad terms, is a managed investment trust (**MIT**) whose unit holders have clearly defined interests in relation to the income and capital of the trust and the trustee or responsible entity of the MIT has made an irrevocable election to apply the regime.

The Fund has elected into the AMIT regime. On the basis that investors are attributed all of the taxable income of the Fund for a financial year, the Fund itself should not be liable for tax.

The AMIT rules contain several provisions that impacts the taxation treatment of the Fund.

The key features of the AMIT regime include:

- an attribution model for determining member tax liabilities, which also allows amounts to retain their tax character as they flow through the trust to its members;
- the ability to carry forward understatements and overstatements of taxable income, instead of re-issuing investor statements;
- deemed fixed trust treatment under the income tax law;
- upwards and downwards cost base adjustments to units held by investors where the taxable income is greater or less than (respectively) the cash distribution and tax offsets for an income year; and
- legislative certainty about the treatment of tax deferred distributions.

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

Managed Investment Trust

The Fund qualifies as an eligible MIT. The Fund has made an irrevocable election to apply the capital gains tax (**CGT**) provisions as the primary regime for taxation of gains and losses from the sale of certain qualifying investments (which include shares). Currency forward contracts are not included in the list of qualifying investments. Investors that are individuals or superannuation funds should then be entitled to the CGT tax concessions on distributions of capital gains from the Fund.

Distributions

Where an investor is attributed a share of the Fund's taxable income for an income year, the investor will be liable to tax on this attributed amount. The investor will be taxable on this amount irrespective of whether it is paid to them.

Investors will be assessed on their proportionate share of the Fund's tax net income in the financial year in respect of which their entitlement to the distributable income arises even though it may not have been received in that financial year.

Franking Credits

Where the Fund receives franked dividends, the taxable net income of the Fund includes franked dividends and related franking credits. A credit for these amounts may be available in calculating unit holders' tax liabilities, depending on their specific circumstances and subject to various integrity rules, including the 45-day holding period rule.

Excess franking credits may be refundable to certain resident individuals and complying superannuation entities and in certain cases may generate tax losses for corporate entities.

Foreign Income Tax Offsets

Australian resident investors may be entitled to claim a foreign income tax offset (**FITO**) in respect of foreign tax paid on the foreign income received by the Fund. The ability to utilise a FITO will be dependent upon each unit holders specific tax circumstances.

Disposal or Withdrawal of Units

Investors must include any realised capital gain or loss on disposal or withdrawal of their units (together with any capital gain attributed by the Fund) in the calculation of their net capital gain or loss for an income year.

The Fund may determine that some part of the withdrawal price of a unit represents a distribution of income for tax purposes for the financial year. Where the withdrawal price includes a distribution of income, any capital gain made is reduced by the taxable income amount included in the investor's assessable income.

A net capital gain will be included in an investor's assessable income. A net capital loss may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

In calculating the taxable amount of a capital gain, a discount of one-half for individuals and trusts or one-third for superannuation entities may be allowed where the units have been held for 12 months or more.

Tax File Number

In the Application form investors are asked to provide their tax file number (**TFN**) or Australian Business Number (**ABN**). Investors may quote their TFN or ABN (if applicable) in relation to their investment in the Fund. It is not an offence to fail to quote a TFN or ABN, but if investors do not provide their TFN, ABN or exemption, tax must be withheld from distributions at the highest marginal rate plus Medicare Levy.

GST

The issue and redemption of units in the Fund is not subject to GST, however, the Fund may pay GST on the services it acquires. Generally, GST is payable by the Fund on fees and any reimbursement of expenses. The Fund may be entitled to claim Input Tax Credits and Reduced Input Tax Credits (**RITCs**) of currently between 55% of the GST paid in respect of certain fees and expenses, and 75% of the GST paid in respect of others.

Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact.

Us Tax Withholding and Reporting Under the Foreign Account Tax Compliance Act (FATCA)

The United States of America has introduced rules (known as FATCA) which are intended to prevent US persons from avoiding tax. Broadly, the rules may require the Fund to report certain information to the Australian Taxation Office ("ATO"), which may then pass the information on to the US Internal Revenue Service ("IRS"). If you do not provide this information, we will not be able to process your application.

To comply with these obligations, the Responsible Entity will collect certain information about you and undertake certain due diligence procedures to verify your FATCA status and provide information to the ATO in relation to your financial information required by the ATO (if any) in respect of any investment in the Fund.

Common Reporting Standard

The Australian government has implemented the OECD Common Reporting Standards Automatic Exchange of Financial Account Information (**CRS**) from 1 July 2017. CRS, like the FATCA regime, will require banks and other financial institutions to collect and report to the Australian Tax Office (**ATO**).

CRS will require certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is expected to be a 'Financial Institution' under the CRS and intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your units in the Fund) to the ATO. For the Fund to comply with their obligations, we will request that you provide certain information and certifications to us. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received. The ATO may provide this information to other jurisdictions that have signed the "CRS Competent Authority Agreement", the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

Section 8: How to apply

No additional information.

Section 9: Definitions

Unless otherwise defined, the following terms used in the PDS and Reference Guide have the following meaning:

ABN: means Australian Business Number.

AFCA: means the Australian Financial Complaints Authority.

AMIT: means an Attribution Managed Investment Trust.

AML/CTF Act: means the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

AML/CTF Requirements: means the the AML/CTF Act and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the Responsible Entity

AMMA: means attribution managed investment trust member annual.

APP: means the Australian Privacy Principles.

application price: the price at which units are issued which is based on the Fund net value at the time of application divided by the number of units on issue and adjusted to include the transaction cost.

ASIC: means the Australian Securities Exchange Commission.

Assets: an investment made by the Fund.

ATO: means the Australian Tax Office.

AUSTRAC: means the Australian Transaction Reports and Analysis Centre

Business day: means any day except Saturday, Sunday or a public or bank holiday in Sydney.

Buy/Sell Spread: means the buy spread component in the purchase price and sell spread component in the withdrawal price to cover the costs of buying and selling the Fund's assets.

CGT: means capital gains tax.

Compliance Plan: means the compliance plan for the Fund lodged by the Responsible Entity with ASIC.

Constitution: means the deed under which the Fund was established.

Corporations Act: means the Corporations Act 2001 (Cth).

CRS: means the OECD Common Reporting Standards Automatic Exchange of Financial Account Information.

dollars or a reference to currency: means Australian dollars.

ESG: means Environmental, Social and Governance considerations.

ETF: means an exchange traded fund.

FATCA: means the Foreign Account Tax Compliance Act 2010.

FDR: means the fair dividend rate.

FIF: means a foreign investment fund.

FITO: means a foreign income tax offset.

Financial Services Guide: means a financial services guide designed to provide investors with enough information to decide whether to obtain financial advice (or any other financial service) from the entity that is providing advice.

Fund: means the CT Pyrford Global Absolute Return Fund ARSN 168 994 205.

Fund value: means the total value of assets held by the Fund.

GST: means the tax payable under A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Investor: means a unit holder in the Fund.

Investment Manager or **Pyrford:** means Pyrford International Limited ARBN 165 504 414, a part of Columbia Threadneedle Investments, the global asset management business of Ameriprise Financial, Inc.

MIT: means a managed investment trust.

Multiple Large Withdrawals: means withdrawal requests from investors over 5 successive Business days representing more than 10% of the number of units on issue.

NAV or **net asset value:** means the Fund value less the liabilities of the Fund.

OTC: means over-the-counter.

Perpetual, Responsible Entity, us, we or **our:** means Perpetual Trust Services Limited ABN 48 000 142 049, a part of the Perpetual Group of entities.

Perpetual Limited: means Perpetual Limited ABN 86 000 431 827

Product disclosure statement or **PDS:** means the Product Disclosure Statement for the CT Pyrford Global Absolute Return Fund which includes the information in this document.

Pyrford ESG Rating: means the the internal ESG risk rating assigned by Pyrford to every stock researched.

Reference Guide or **RG:** means this Reference Guide for the Fund.

RITCs: means reduced input tax credits.

Single Large Withdrawal: means a withdrawal request from an investor representing more than 5% of the number of units on issue.

State Street, Custodian or Administrator: means State Street Australia Limited ABN 21 002 965 200.

Statement of Advice: means a formal document that outlines the recommendations a financial adviser is making for a particular investor to help them to achieve their financial needs and objective.

TFN: means tax file number.

TMD: means the Target Market Determination for the Fund.

transaction cost: means an amount paid into the Fund to cover the costs of buying or selling assets of the Fund. This includes any tax or duty or valuation required for Fund property to effect an acquisition or sale.

unit: means a fully paid ordinary unit in the Fund.

unit holder: means a person noted on the unit register as the holder of a unit, including persons jointly registered.

withdrawal price: means the price at which units are sold which is based on the Fund net value at the time of withdrawal divided by the number of units on issue and decreased by the amount of the transaction cost.