
Perpetual Diversified Income Active ETF (ASX: DIFF)

Replacement Product Disclosure Statement

REPLACEMENT PRODUCT DISCLOSURE STATEMENT
ISSUE NUMBER 1 DATED 23 JULY 2025

Issued by Perpetual Investment Management Limited
ABN 18 000 866 535 AFSL 234426

Perpetual 

Important notes

This Replacement Product Disclosure Statement (**PDS**) provides information on the 'Class E units' in the Perpetual Diversified Income Fund (**Fund**) – refer to 'Active ETF profile' for further details. This PDS replaces the Product Disclosure Statement dated 7 August 2025.

In this PDS, "**Active ETF**" means the Fund's Class E units, which is proposed to be an Exchange Traded Fund quoted and traded on the Australian Securities Exchange (**ASX**). The Active ETF is a separate unit class of the Fund and is not a separate managed investment scheme.

The Fund's constitution allows for multiple unit classes, which may have different rights and obligations (including fees and terms) attached to them. Within each class of units, the units have the same rights.

At the time of lodging the PDS with ASIC, we have applied to the ASX for the Active ETF to be admitted to trading status and quoted on the ASX under the ASX Operating Rules (**AQUA Rules**). If the application is granted, the Active ETF will be able to be traded on the ASX under the AQUA Rules (see 'The AQUA rules and CHESS' section for further information). No representation is made concerning the Active ETF's admission to trading status and quotation on the ASX.

Neither ASIC nor the ASX take any responsibility for the contents of this PDS.

References in this PDS to 'we', 'us', 'our', 'PIML' and 'Perpetual' are to Perpetual Investment Management Limited as:

- the responsible entity of the Fund
- the issuer of units in the Active ETF and this PDS
- the investment manager of the Fund

Perpetual Investment Management Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827).

'Perpetual Group' means Perpetual Limited and its subsidiaries.

'You' or 'your' or 'investor' refers to Authorised Participants and investors other than Authorised Participants in the Active ETF, unless stated otherwise.

The offer

The offer of units in the Active ETF, under this PDS, is only available to persons who have been authorised as trading participants under the ASX Operating Rules, and where required, have entered into an Authorised Participant Agreement with us (**Authorised Participants**). Certain sections of the PDS (particularly those relating to applications for and withdrawals of units in the Active ETF in the normal course) are of direct relevance to Authorised Participants only.

Investors other than Authorised Participants

Other investors, who are not Authorised Participants, cannot invest in units in the Active ETF through this PDS but may do so through the ASX. Please consult your stockbroker or financial adviser if you would like to buy units in the Active ETF on the ASX. Investors who are not Authorised Participants may use this PDS for informational purposes only.

Purpose of this document

This PDS describes the important features of the Active ETF included in the PDS. No other fund, trust or class of units is included in this PDS. You should read it carefully before you decide to invest as it will help you to decide whether the Active ETF is appropriate for you. It contains general information only and doesn't take into account your objectives, financial situation or needs. This PDS may also help when comparing the Active ETF to other products you may be considering.

We recommend that you consider the appropriateness of this information having regard to your objectives, financial situation and needs and seek financial advice before making an investment decision. If you have questions about investing in the Active ETF, you should speak to your financial adviser. You should consider the tax implications of investing in the Active ETF, which your financial and/or tax adviser will be able to help you with.

Certain information in this PDS may change from time to time. Where this information is not materially adverse, the updated information will be made available on our website www.perpetual.com.au. A paper copy of any updated information will be given to you without charge upon request. If a change is considered materially adverse, we'll replace this PDS or issue a supplementary PDS. Any replacement and/or supplementary PDS will be available at our website and you can also obtain a paper copy free of charge, on request. If there is an increase in our fees or charges, we'll give you at least 30-days' prior written notice.

You should keep a copy of the current PDS and any replacement and/or supplementary PDS for future reference. You can access further information that has been made publicly available at our website or by contacting us, including the Target Market Determination (TMD) for the Active ETF.

Visit our website or contact us for the most up-to-date past investment returns for the Active ETF. Past investment returns are not indicative of future returns, so you shouldn't base your decision to invest in the Active ETF on past investment returns.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Active ETF is subject to investment risk, including loss of income and capital invested.

This PDS is intended to be used only by persons receiving it (electronically or otherwise) in Australia or New Zealand.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney, any day on which the ASX is open and any other day notified by the ASX.

New Zealand investors

Please also refer to 'Important additional information for New Zealand investors' in the 'Additional information' section for further information.

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Welcome to Perpetual Diversified Income Active ETF

The key benefits of investing

Professional active investment management

The Fund is actively managed and invests in a diversified core portfolio of liquid investment grade credit securities with a minor component able to be invested in sub-investment grade and high yield opportunities. As a result, the Fund invests in a range of debt securities across a variety of sectors and maturities, aiming to deliver regular income with the potential for returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes).

Perpetual seeks to limit risks by applying quality filters to issuers and selecting those issuers and securities we consider to have (where relevant) a market leading position, stable balance sheets, predictable cash flows, quality and capable management and low susceptibility to regulatory or event risk.

Easy investment access

The Active ETF will be quoted on the ASX, so investors other than Authorised Participants can buy and sell the Active ETF on the ASX at the prevailing market price through a stockbroker, share trading account or other securities trading platform, much like the process for buying and selling shares.

About Perpetual Investment Management Limited

PIML is part of the Perpetual Group.

Investment manager

PIML is the investment manager of the Fund.

Understanding investment risk

The risks of investing

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you redeem units in the Active ETF or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Active ETF, we have detailed in the following table significant risks (in no particular order) that may affect your investment.

Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

Your financial adviser can assist you in determining whether the Active ETF is suited to your financial needs.

Significant risks

Type of risk	Description of risk
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, sanctions, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
Asset risk	A particular asset that the Fund invests in may fall in value, which can result in a reduction in the value of your investment.
Asset class concentration risk	Investing in a fund with exposure to predominantly one asset class such as fixed income and credit assets may lead to more volatile returns than investing in a fund with a more diversified portfolio with exposure to multiple asset classes.
Interest rate risk	Both prevailing interest rates and changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. Currency management or hedging strategies may not necessarily provide protection against adverse currency movements.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for certain types of investments can result in a loss if the holder of the investment needs to sell it within a particular timeframe. Where the off-market withdrawal process is available (see 'Off-market withdrawals' in the 'Investing in the Active ETF' section), a shortage of liquidity in the Fund can also result in delays in the payment of off-market withdrawals.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of the Fund. Derivatives may also be subject to liquidity risk and/or counterparty risk. Losses arising from the realisation of a derivative position may adversely impact the Fund's distributable income. A counterparty may also be required to take collateral from the Fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the Fund's assets may not be returned in full. See 'Use of derivatives' in the 'Additional investment information' section for further information about how derivatives may be used in the management of the Funds.
Counterparty risk	A loss may occur if the other party to a contract, including derivatives contracts or currency hedging agreement, defaults on their obligations under the contract.
ESG risks	Inadequate consideration of issues related to environmental, social, governance (ESG) and ethical factors may mean that investment values are adversely impacted.

Significant risks (continued)

Type of risk	Description of risk
Other investment risks	The investment professionals employed by Perpetual may change, which may affect the future performance of the Fund. Investing in the Fund may have a different tax outcome than investing directly because of the application of tax laws to the Fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income. Transactions may be suspended, which may result in delays in paying withdrawal requests – see ‘Withdrawals’ in the ‘Investing in the Active ETF’ section for further information. The Fund or Active ETF may be terminated.
Class risk	Separate classes of the Fund are not separate legal entities and the assets referable to each class will not be segregated. All of the assets of the Fund are available to meet all of its liabilities, regardless of the class to which such assets or liabilities are attributable. There is a risk that investors of different classes of the Fund may be exposed to liabilities of another class of units and these investors could lose some or all of their investment in the Fund. Also, there is a risk that in the event of an insolvency, the assets of the Fund could be made available to creditors of another class of units of the Fund.
Other Active ETF risks	Investing in the Active ETF may involve other risks, including ASX price risk, ASX liquidity risk, market making risk, settlement risk and ASX quotation risk – see the following ‘Other Active ETF risks’ for details.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment.
Conflicts risk	Conflicts of interest may arise between related parties appointed to provide services to the Fund.
Operational and cyber risks	The Fund’s operations may be adversely impacted by breakdowns in internal/external administrative processes or circumstances beyond our reasonable control, such as failure of technology or infrastructure, or natural disasters. Despite security measures, fraud, data loss/damage or business disruption may result from cyber threats against or unauthorised infiltration of our technology systems and networks or those of our service providers.

Other Active ETF risks

ASX price risk

The price at which the Active ETF may trade on the ASX may differ materially from the net asset value per unit of the Active ETF.

ASX liquidity risk

There is no guarantee of an active trading market with sufficient liquidity in the Active ETF. This may affect an investor’s ability to buy or sell the Active ETF on the ASX. Investors will not be able to trade the Active ETF on the ASX during any period that ASX suspends trading of units in the Active ETF. Further, where trading in the Active ETF on the ASX has been suspended for five consecutive trading days, the availability of the Active ETF’s off-market withdrawal process will be subject to the provisions of the Fund’s constitution.

Market making risk

Perpetual has appointed a market maker(s) to assist in maintaining liquidity in the Active ETF on the ASX. However, Perpetual cannot guarantee that a market maker will fulfil its obligations or that a market maker will continue to be appointed. There may be circumstances where market making obligations are suspended or an investor’s ability to buy or sell units may be restricted.

Settlement risk

The application and redemption processes associated with the issue or redemption of Units are subject to the normal settlement procedures through CHES. The operation of CHES means that the issue of units occurs independently of the transfer of the consideration for the units and therefore it is possible that units may be issued before Authorised Participants have paid the application amount for those units. Similarly, units will normally be redeemed

before the specific units for redemption have been delivered. If an Authorised Participant fails to comply with its settlement obligations on time (that is, to pay the application amount or deliver up units), the Fund may suffer losses as the Fund may have entered into transactions in reliance on the receipt of such application amount or units.

ASX quotation risk

The Active ETF is proposed to be admitted to trading status on the ASX and quoted under the AQUA Rules. There is a risk that the ASX may under certain circumstances suspend trading or even remove the Active ETF from quotation on the ASX.

How we manage these risks

We can’t eliminate investment risks, however we aim to manage the impact of these risks by setting consistent and carefully considered investment guidelines.

Perpetual Group has policies and procedures in place to manage any conflicts of interest, which ensure Perpetual’s appointment and supervision of any related party is on arm’s length terms and that any such related party performs its functions to the same standard as if the parties were not related and in the best interest of investors.

Active ETF profile

About the Active ETF profile

The following information explains certain terms and concepts detailed in the Active ETF profile on the following page.

Term	Explanation		
Category	This indicates the main asset class in which the Fund predominantly invests.		
Active ETF name	This is the Active ETF's full name on the ASX.		
ASX code	This is the unique ASX identifier for the Active ETF.		
Registered managed investment scheme	This shows the Fund's registered name as at the date of this PDS and its Australian registered scheme number (ARSN) issued by ASIC.		
Fund inception date	This is the month and year that the Fund's original Class A units received its first investment.		
Risk level	The risk level represents the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period, as follows.		
	Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
	1	Very low	Less than 0.5
	2	Low	0.5 to less than 1
	3	Low to medium	1 to less than 2
	4	Medium	2 to less than 3
	5	Medium to high	3 to less than 4
	6	High	4 to less than 6
	7	Very high	6 or greater
	The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of the negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.		
Investors should still ensure they are comfortable with the risks and potential losses associated with the Fund.			
The SRM for the Fund may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in its calculation and future changes to asset allocations by the investment manager. Any changes to the SRM at any time will be available at our website.			
Suggested length of investment	This is a guide only and not a recommendation. You should discuss your investment in the Fund with your financial adviser to ensure that it meets your needs.		
Distribution frequency and dates	The distribution frequency is how often the Fund usually makes a distribution. The distribution dates represent the period end date for which the distribution is declared or paid. Payment of distributions not reinvested occurs after the distribution date (see 'Distributions' in the 'Investing in the Active ETF' section for details).		
Objective	The objective is a summary of what the Fund aims to achieve. It is possible that the Fund may not achieve the stated objective.		
Investment approach	This is the method or principles that the investment manager uses, either directly or indirectly, to manage the Fund to meet its objectives. Further details are provided in the 'Additional investment information' section.		
Investment guidelines	This provides an indication of what the Fund will invest in directly or indirectly.		

Further information

For more details and any updated information about the Fund, visit our website or contact us.

Active ETF profile

Category	Fixed income and credit	
Active ETF name	Perpetual Diversified Income Active ETF	
ASX code	DIFF	
Registered managed investment scheme	Perpetual Diversified Income Fund ARSN 110 147 665	
Fund inception date	October 2005 (original Class A units)	
Risk level	3 – Low to medium	
Suggested length of investment	Three years or longer	
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	
Objective	Aims to provide regular income and consistent returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes) over rolling three-year periods by investing in a diverse range of income generating assets.	
Investment approach	The Fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating or subordination. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns. The Fund has an Australian focus and may also invest in international assets. International exposures will generally be fully hedged back to the Australian dollar. Derivatives may be used in managing the Fund.¹	
Investment guidelines	Cash and investment grade securities ²	75-100%
	Sub-investment grade securities ³ and non-rated securities	0-25%

1 Both over-the-counter and exchange traded derivatives may be used in managing the Fund. The Fund's total notional value of derivatives is limited to 10% of the Fund's net asset value except on a temporary basis or where derivatives are used to manage foreign exchange or interest rate risk. The Fund may use derivatives on a temporary basis, where for example, the portfolio manager seeks to manage unfavourable market conditions or it is more efficient than buying or selling underlying securities to achieve asset exposure. See 'Additional Investment Information.'

2 Investment grade is a term given to securities that have a high probability of payment of interest and repayment of principal.

3 Sub-investment grade is a term given to securities where there is a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise. The Fund typically invests in investment grade securities, but we may increase our sub-investment grade exposure under favourable economic conditions

Additional investment information

Fund investments

Types of assets	Description of investments
Cash	Cash investments include bank accounts, discount securities (eg bank bills), short term deposits and money market funds which may invest in fixed income instruments and loans. Cash generally provides a rate of return in line with short-term interest rates. <i>Deposits</i> Deposits are products offered by authorised deposit-taking institutions (ADIs). ADIs are regulated by the Australian Prudential Regulation Authority (APRA), which enforces standards designed to ensure that under all reasonable circumstances ADIs can meet their obligations to depositors. <i>Money market</i> Money market instruments are considered highly liquid fixed income instruments with a short term maturity profile.
Fixed income and credit	Fixed income instruments are securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations, insurers and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark. Credit instruments are income generating securities such as corporate debt, asset backed and debt-like hybrid securities, discount securities and sub-investment grade securities that have higher credit risk and less liquidity than cash and fixed income investments. Some of these instruments contain both debt and equity characteristics (eg hybrids), which may convert to common equity and may pay income in the form of a dividend.
Derivatives	A derivative is a financial instrument that derives its value from the price of a physical security or market index. Derivatives include, but are not limited to, futures, options, swaps and forward foreign exchange contracts.

Investment approach

Use of derivatives

Both over-the-counter and exchange traded derivatives may be used in managing the Fund such as to manage or hedge exposures to interest rate risk, currency risk and credit risks, or on a temporary basis. For example, derivatives may be used temporarily where the portfolio manager seeks to manage unfavourable market conditions or it is more efficient than buying or selling underlying securities to achieve asset exposure.

The Fund's total notional value of derivatives is limited to 10% of the Fund's net asset value except on a temporary basis or where derivatives are used to manage foreign exchange or interest rate risk.

Investing in derivatives can expose the Fund to additional risks. Please refer to 'Derivatives risk' within the 'Significant risks' table in the 'Understanding investment risk' section for more information.

Environmental, social, governance (ESG) and ethical factors

Perpetual believes that the relevance of ESG issues to the performance of our investment products has become more apparent. We recognise the growing expectation that companies conduct themselves responsibly and sustainably. Perpetual has a long-standing commitment to responsible investing; and in 2009 became a signatory to the United Nations supported Principles for Responsible Investment (PRI).

Perpetual's investment philosophy acknowledges that while traditional financial measures are an important consideration, ESG matters can also influence investment performance. Perpetual does not have a predetermined view as to what it regards as ESG factors (including labour standards) or how far they are taken into account. Nor does Perpetual have an approach for the Fund to screen out particular types of companies or investments. The Fund does not have any specific ESG objective. Perpetual does however incorporate an assessment of ESG factors (including labour standards) in our investment analysis and the decision to select, retain or sell an investment, where those considerations are determined by the portfolio managers as a factor that may impact the current or future financial performance of the investment.

The assessment considers:

- what ESG factors the investment is exposed to and whether any of these factors present risks to the investment's current or future financial performance
- what impact ESG factors are likely to have on the investment's prospects; and
- how well ESG factors are being managed by the issuer, and therefore how likely the possible impacts are to occur.

Our ESG risk scoring process, which includes internal and external research on an issuer's approach to managing ESG factors and the issuer's revenue sources, allows credit analysts to assess as part of their credit research on each corporate issuer, the ESG risks of that issuer and whether the issuer has any controls or measures in place to address these risks. The credit analyst uses this information to determine an ESG risk score between 1 (low) and 4 (very high). This score is included in each corporate issuer's credit profile. It assists the portfolio manager to evaluate credit risk and relative value pricing considerations in managing credit portfolios.

There are certain asset classes where ESG factors (including labour standards) are not taken into account when deciding whether to select, retain or sell an investment. This includes, but may not be limited to derivatives, cash and exchange traded products.

Our consideration of ESG factors does not include making ethical or moral judgments on particular practices for the purpose of selecting, retaining or selling an investment.

Where we believe it is in the interest of the Fund's investors, we may also actively engage with companies to encourage them to improve their ESG practices by:

- having processes and systems in place to identify and manage ESG risks effectively that may impact the current or future value of the company;
- being transparent, honest and accountable, which includes providing the level of disclosure necessary for informed investment decision-making, and
- having corporate structures and management incentives to manage the company in the long term interest of creditors.

Borrowing

The Fund doesn't intend to borrow (gear) as part of its investment strategy. However borrowing may occur in the operational management of the Fund.

Fees and other 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 costs summary

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and other 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.

Fees and costs summary

Perpetual Diversified Income Active ETF		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs The fees and costs for managing your investment	Management fees and estimated management costs: 0.59% per annum.	The management fees for the Active ETF, which is generally expressed as a percentage of the net asset value of the Active ETF, is calculated and accrued daily and generally paid to us monthly. It is deducted directly from the Fund's assets and reflected in the net asset value per unit of the Active ETF. You may be able to negotiate the management fee with us. ¹ Management costs may be charged directly to the Fund and reflected in the net asset value per unit of the Active ETF and/or incurred indirectly in underlying funds.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil.	Not applicable.
Transaction costs The costs incurred by the scheme when buying or selling assets	Estimated transaction costs: 0.00% per annum.	All transactions costs are paid out of the Fund's assets and reflected in the net asset value per unit of the Active ETF.
Member activity related fees and costs (fees for services or when your money moves in or out of the product)		
Establishment fee The fee to open your investment	Nil.	Not applicable.
Contribution fee The fee on each amount contributed to your investment	Nil.	Not applicable.

Buy/sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	If you are an Authorised Participant, as at the date of this PDS: • 0.15% added to the NAV unit price on application; and • 0.15% subtracted from the NAV unit price on redemption, but we may vary this from time to time and notify you in accordance with our obligations under law.	Estimated transaction costs are allocated when an Authorised Participant buys or sells units in the Active ETF by incorporating a buy/sell spread between the Active ETF's application and redemption unit price, where appropriate. Buy/sell spreads will apply if you are an Authorised Participant or in the limited circumstance when investors other than Authorised Participants redeem units in the Active ETF directly with us. (See 'Off-market redemptions' in the 'Investing in the Active ETF' section.) Otherwise, no buy/sell spreads apply where you buy or sell units in the Active ETF on the ASX.
Withdrawal fee The fee on each amount you take out of your investment	Nil.	Not applicable.
Exit fee The fee to close your investment	Nil.	Not applicable.
Switching fee The fee for changing investment options	Nil.	Not applicable.

¹ See 'Differential fees' within 'Additional explanation of fees and costs' in this section for further information.

Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs in Perpetual Diversified Income Active ETF can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example – Perpetual Diversified Income Active ETF		Balance of \$50,000 ¹ with a contribution of \$5,000 during year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
Plus Management fees and costs	0.59%	And , for every \$50,000 you have in the Perpetual Diversified Income Active ETF you will be charged or have deducted from your investment \$295 each year
Plus Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 in performance fees each year
Plus Transaction costs	0.00%	And , you will be charged or have deducted from your investment \$0 in transaction costs
Equals Cost of Perpetual Diversified Income Active ETF		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$295 . [*] What it costs you will depend on the Active ETF you choose and the fees you negotiate.

¹ We have assumed a constant value of \$50,000 for the whole year.

^{*} Additional fees may apply:

And, if you leave Perpetual Diversified Income Active ETF via an off-market withdrawal in the limited circumstances in which the off-market withdrawal process is available to investors, you may be charged a **sell spread** (see 'Buy/sell spread' in this section for further information).

Additional explanation of fees and costs

Ongoing annual fees and costs

The total ongoing annual fees and costs for the Active ETF comprises:

- management fees and costs
- transaction costs.

The amounts shown in the following 'Estimated ongoing annual fees and costs' table include all management fees, estimated management costs and estimated transaction costs as at the date of the PDS. Any updates from time to time, which are not materially adverse, will be available at our website.

Ongoing annual fees and costs may vary in future years. Updated details will also be available at our website each year.

Estimated ongoing annual fees and costs

Active ETF	Management fees and estimated management costs		Estimated transaction costs (% pa) ²	Estimated total ongoing annual fees and costs (% pa)
	Management fees (% pa)	Estimated management costs (% pa) ¹		
Perpetual Diversified Income Active ETF	0.59%	0.00%	0.00%	0.59%

- 1 Since we currently choose to pay normal operating expenses out of our management fees, estimated management costs represent any abnormal operating expenses recovered from the Fund and any other indirect management costs (see 'Abnormal operating expenses' and 'Other indirect management costs' in this section for further information) for the financial year ended 30 June 2025, which may vary in future years without notice.
- 2 Estimated transaction costs are based on the net transaction costs incurred in the Fund's Class A units the financial year ended 30 June 2025, which may vary in future years without notice. **Transaction costs should not be considered in isolation of investment returns.** It is important to understand that actively managed investments are likely to have higher transaction costs than passively managed investments, such as index funds, because of the higher expected volume of trading of the portfolio's assets in generating investment returns.

Management fees and costs

Management fees

We receive management fees for managing and administering the Active ETF and overseeing the Fund's investments.

Differential fees

We may negotiate a rebate of all or part of our management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group investing directly in the Active ETF. The payment and terms of rebates are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy.

Management costs

Management costs may include:

- operating expenses
- other indirect management costs.

Operating expenses

We're entitled to charge to the Active ETF or be reimbursed from the Active ETF for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Active ETF.

There is no limit in the Fund's constitution on the amount that can be recovered for expenses that are reasonably and properly incurred.

Normal operating expenses

Normal operating expenses are those incurred in the day-to-day operation of the Active ETF.

We currently choose to pay normal operating expenses, excluding any operational borrowing costs (see 'Borrowing costs' in this section for further information), out of our management fee.

Abnormal operating expenses

Abnormal operating expenses aren't generally incurred during the day-to-day operation of the Active ETF and aren't necessarily incurred in any given year. They're due to abnormal events like the cost of running an investor meeting, or legal costs incurred by changes in the Fund's constitution.

Any abnormal operating expenses charged to the Active ETF will be an additional management cost for the relevant year for the Active ETF.

Other indirect management costs

Derivatives

Management costs may also be incurred if the Fund or an underlying fund invests in any relevant derivatives.

Management fees and costs in underlying funds

The following also applies where the Fund invests into an underlying fund (including exchange traded funds).

Managers of underlying funds will generally charge a management fee for their services. These fees will be deducted from the underlying funds and reflected in their unit price. With the exception of exchange traded funds and some unlisted securities, Perpetual will otherwise compensate the Fund for these amounts so they are not an indirect management cost to you.

Managers of underlying funds may also charge expense recoveries to their underlying funds, which will usually be deducted from the assets of the underlying funds and reflected in their unit price, and/or the underlying funds themselves may incur indirect costs. If charged, these amounts will usually be an indirect management cost to you.

Transaction costs

In managing the investments of the Fund, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred in the Fund's investment portfolio. These transaction costs are a cost to all investors in the Fund and may vary from year to year without notice to investors.

Member activity related fees and costs

Buy/sell spread for Authorised Participants

Estimated transaction costs are allocated when an investor buys or sells units in the Active ETF by incorporating a buy/sell spread between the Active ETF's application and redemption price, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Active ETF. We have discretion to waive the buy/sell spread on applications or redemption where no transaction costs are incurred.

A buy/sell spread is an additional cost to you and will impact the return on your investment. The spread, if applicable, is based on our estimates of the average transaction costs incurred by the Active ETF. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

Estimated transaction costs, which are used to determine the buy/sell spreads, are reviewed regularly.

Consequently, the buy/sell spreads current as at the date of this PDS, as shown in the 'Fees and costs summary' table in this section, may change (increase or decrease) during the life of this PDS and may vary without notice to investors. The current buy/sell spread for the Active ETF will be provided in an announcement available at www.perpetual.com.au/active-etfs.

GST is not applicable to any buy/sell spread when you buy or sell units in the Fund.

Buy/sell spread for investors other than Authorised Participants

No buy/sell spreads apply where you buy or sell units in the Active ETF on the ASX. You will bear a bid/ask spread when you buy or sell units in the Active ETF on the ASX which will differ to the buy/sell spreads shown above.

A bid/ask spread is the price at which a Market Maker will offer to buy units in the Active ETF from investors on a particular day (bid price). This is typically less than the NAV unit price for the Active ETF for that same day. The price at which the Market Maker is willing to sell units to an investor on a day (ask price) will typically be higher than the NAV unit price for the Active ETF for that same day.

In the limited circumstances in which off-market withdrawals are available to investors (see 'Off-market withdrawals' in the 'Investing in the Active ETF' section), the price at which you can withdraw your investment may include an explicit allowance (sell spread) for transaction

costs associated with that withdrawal. If applicable, the sell spread aims to ensure that other investors in the Active ETF aren't impacted by the transaction costs associated with a particular investor withdrawing from the Active ETF.

A sell spread on off-market withdrawals is an additional cost to you and will impact the return on your investment. The spread, if applicable, is based on our estimates of the average transaction costs incurred by the Active ETF in relation to off-market withdrawals. GST is not applicable to any sell spread. However, it is not a fee paid to us and is retained in the Active ETF to cover the actual transaction costs as they are incurred.

The current sell spread for an ETF will be provided in an announcement available at www.perpetual.com.au/active-etfs if and when the off-market withdrawal process is available to investors.

Further information about fees and costs

Borrowing costs

Whilst we currently choose to pay normal operating expenses out of our management fee, if the Active ETF incurs any incidental borrowing costs for short-term operational purposes, these costs may be paid out of the Fund's assets and reflected in the net asset value per unit of the Active ETF.

Any borrowing costs are additional to the management fees and costs shown in the 'Fees and costs summary' table in this section.

Maximum fees and charges

The Fund's constitution allows us to charge maximum fees for the Active ETF as outlined in the following 'Maximum fees and charges' table.

Expense recoveries are unlimited under the Fund's constitution.

Amounts disclosed are inclusive of GST.

Maximum fees and charges

Fee or cost	Maximum
Contribution fee	5.00%
Withdrawal fee	5.00%
Management fee ¹	3.00% pa

1 Calculated on the Active ETF's gross asset value.

Increases or alterations to our fees

We may change our fees without your consent. However, we won't increase our management fees, introduce any new fees or commence recovering normal operating expenses from the Active ETF, without giving you at least 30-days' written notice.

Management costs, buy-sell spreads and transaction costs may vary each year without notice.

Tax

Tax information, including GST, is set out in the 'Tax' section. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST.

Brokerage

You may incur customary brokerage fees and commissions when buying and selling the Active ETF on the ASX. You should consult your stockbroker for more information in relation to their fees and charges.

Adviser remuneration

Financial adviser commissions

No commissions are paid to your financial adviser.

Other benefits

As a result of your investment in the Active ETF your financial adviser may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

Platform administration payments

We may make payments to platform providers for administrative services associated with distributing the Active ETF on their investments menu (where allowed by law). These payments may help them recover their costs incurred in establishing the Active ETF on their menu and certain other marketing and distribution costs. If these payments are made, they are not paid by you, the Fund or the Active ETF, but rather they are paid by us.

Investing in the Active ETF

Only Authorised Participants may apply for, or redeem, units directly through this PDS except in the circumstances set out in the off-market withdrawal section. Authorised Participants are persons who have been authorised as trading participants under the ASX Operating Rules, and where required, have entered into an Authorised Participant Agreement with us and agree to comply with any additional requirements set out in the Authorised Participant Agreement.

If you are not an Authorised Participant, you can buy and sell units in the Active ETF on the ASX via your stockbroker or using your share trading account.

When you invest in the Active ETF, your money is pooled with investments from other investors in the Active ETF and other classes of the Fund and used to buy assets for the Fund, which we manage on behalf of all investors of the Fund.

When you invest in an Active ETF, you will be buying the Fund's Class E units. The value of your investment in the Active ETF will vary as the net asset value per unit of the Active ETF changes to reflect increases or decreases in the market value of the Fund's underlying assets.

Cooling off rights do not apply to units in the Active ETF.

Net asset value

The net asset value (NAV) of the Active ETF is calculated by deducting the Fund's liabilities (including any accrued fees) referable to the Active ETF from the aggregate value of the Fund's assets referable to the Active ETF. The NAV per unit of the Active ETF is calculated by dividing the NAV of the Active ETF by the number of units on issue in that Active ETF. The NAV of the Active ETF published on a particular business day reflects the value of that Active ETF on the previous day at the close of trading in each market in which the Fund invests.

The NAV per unit for the Active ETF will be published daily on our website. The NAV per unit may fluctuate as the market value of the Fund's assets referable to the Active ETF rises or falls. The valuation methods applied by us to value the Fund's assets are consistent with permitted industry standards and ASIC requirements (and are set out in its valuation policy, which is available free of charge by contacting us).

Authorised Participants

Application and redemption of units in the Active ETF

Authorised Participants must deliver their request to apply for, or redeem, units in the Active ETF by completing an Application/Redemption Form, submitting an order via electronic means or in another method agreed by us by the cut-off time set out in the application and redemption procedures (**Procedures**). The Procedures set out the cut-off time, applicable fees and costs of primary market transactions, settlement details and transaction confirmations for Authorised Participants and is available free of charge by contacting us.

An Authorised Participant must normally apply for, and redeem, units in cash, unless otherwise agreed by us.

The minimum application and redemption amount is one Creation Unit. The number of units that constitute a Creation Unit for the Active ETF is determined by us and notified to Authorised Participants. Applications and redemptions must be for whole multiples of Creation Units, unless otherwise agreed by us.

Generally, if we receive a request to apply for, or redeem, units in the Active ETF by the cut-time on a business day, it will be processed using that day's application and/or redemption price (as applicable) calculated for that business day. Unless we agree otherwise, if received and accepted after the cut-off time, it will be processed using the next calculated application and/or redemption price. If it's a non-business day, it will be processed using the next available application and/or redemption price.

Under the Constitution, we reserve the right to refuse any application for units to the extent permitted by the Constitution or if the application is not made in accordance with the terms of the Authorised Participant Agreement. If the application is rejected, the Authorised Participant will be notified. To ensure that the application is processed efficiently, the Authorised Participant needs to include all relevant information in its request and provide all required customer identity verification documents outlined in the Application/Redemption form.

We have the discretion not to accept applications and can delay processing them if we believe that's in the best interests of investors or if required by law. We can also delay processing redemption requests, stagger the payment of large amounts or otherwise restrict redemption requests from the Fund according to the Fund's constitution if we believe that's in the best interests of investors. See 'Suspension of applications and redemptions' in the 'Additional information' section for more information.

We have the absolute discretion to accept, reject or limit any application and where an application is rejected or limited in any way (including if it is deferred or delayed), we are not liable for any loss you suffer (including indirect or consequential loss) as a result.

Investors other than Authorised Participants

Investing on the ASX

If you are not an Authorised Participant, you can invest in the Active ETF by buying units in the Active ETF on the ASX. You do not need to complete an application form, and your purchase of units will settle through the ASX CHESS settlement service in the same way as a purchase of shares. The price at which you buy units in the Active ETF on the ASX will be the prevailing market price for the purchase of units at the time of the transaction, which may not reflect the net asset value per unit the Active ETF.

We do not prescribe a minimum number of units that investors can buy on the ASX.

Selling units on the ASX

Once the Active ETF is quoted on the ASX, you can sell all or part of your units in the Active ETF via your stockbroker or using your share trading account. You do not need to complete a withdrawal form and you will receive the proceeds from the sale of your units through the ASX CHESS settlement service in the same way as for the sale of shares. The price at which you sell units in the Active ETF on the ASX will be the prevailing market price for the sale of units at the time of the transaction, which may not reflect the net asset value per unit of the Active ETF.

We do not prescribe a minimum number of units that investors can sell on the ASX.

Off-market withdrawals

In the event that trading in the units on the ASX has been suspended for five consecutive trading days, investors may be able to apply to us directly to make an off-market withdrawal of your investment from the Active ETF. You can request a withdrawal form by contacting us.

The off-market withdrawal process will not be available in the following situations:

- if the Fund ceases to be liquid¹
 - if we have suspended withdrawals in circumstances permitted by the Fund's constitution, including² where:
 - we cannot properly ascertain the value of an asset held by the Fund
 - an event occurs that results in us not being able to reasonably acquire or dispose of assets in the Fund
 - the law otherwise permits us to delay or restrict processing applications or withdrawals.
- 1 If the Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from the Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from the Fund while the Fund is non-liquid. We will advise investors if the Fund becomes non-liquid and the terms of any withdrawal offer.
- 2 There may be other circumstances where off-market withdrawals from the Active ETF are suspended and you may have to wait a period of time before you can make a withdrawal.

Subject to the above, under the Fund's constitution, the maximum period from the day we receive your withdrawal request for the payment of off market withdrawals is 70 days.

Suspension of applications and redemptions of the Fund

In certain emergency situations that impact the effective and efficient operation of a market for an asset in the Fund or in circumstances where we otherwise consider it to be in investor's interests, we may suspend processing all applications or redemptions for the Fund in accordance with the Fund's constitution. This may include situations where:

- we cannot properly ascertain the value of an asset in the Fund
- an event occurs that results in us not being able to reasonably acquire or dispose of assets in the Fund and underlying fund suspends applications and withdrawals
- the law otherwise permits us to delay or restrict processing applications or withdrawals.

Applications and redemption requests received during the suspension will be processed using the application and/or redemption price applicable when the suspension is lifted.

Transfer of units

Subject to the Constitution and the ASX Rules, a unit is usually transferable through the ASX. A unit may also be transferred by any other method of transfer which is required or permitted by the Corporations Act and the ASX.

Compulsory redemption

We may redeem some or all of your units without requiring your consent in accordance with the Fund's constitution or as permitted by law. For example, this may occur if you breach your obligations to us or where we believe that units are held in circumstances which might result in a violation of an applicable law or regulation.

Impact of withdrawals on distributions

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of income accrued in the Fund, which is referable to the Active ETF, to the date of withdrawal as capital.

In this circumstance, we may determine that part of your withdrawal amount represents a share of the distributable/attributable income. We will advise you if this happens.

Market Maker(s)

We have appointed a Market Maker(s) to provide continuous liquidity to the market by acting as a buyer or seller in the Active ETF on the ASX. This is to satisfy our obligations under Schedule 10A of the ASX Operating Rules (AQUA Rules).

The primary function of the Market Maker(s) is to ensure liquidity by providing quotes to the market throughout the majority of the trading day. The Market Maker(s) will update quoted prices to reflect changes in and the underlying value of the Active ETF. The liquidity provided by the Market Maker(s) will be constrained by market conditions.

A Market Maker will retain any profit or bear any loss generated by its market making activities.

We may replace a Market Maker or appoint additional Market Makers. A Market Maker may also be an Authorised Participant for the Active ETF.

ASX market liquidity

You can trade (ie buy and sell) units in the Active ETF on the ASX with other investors or potential investors in the same way as with ASX listed securities. ASX market liquidity refers to the availability of buyers and sellers on the ASX.

To provide sufficient ASX market liquidity in the Active ETF, Perpetual has appointed a market maker(s) to act as a buyer and seller of units in the Active ETF on the ASX. The liquidity provided by the market maker(s) may be restricted by day to day events including their ability to create and redeem units.

Subject to the ASX Rules, we may replace the market maker(s) and appoint additional market makers from time to time.

Distributions

A distribution is the payment of the Fund's distributable income to investors at predetermined intervals. The distributable income may include interest, dividends, foreign income, realised net capital gains and other income (see 'Distributions' in the 'Tax' section for further information). In some cases, the Fund may also distribute a payment out of the capital invested. The components of a distribution will depend on the Fund's underlying assets.

The distribution amount depends on the Fund's distributable income referable to the Active ETF. The amount of your distribution will be proportionate to the number of units you hold in the Active ETF relative to the number of units on issue in the Active ETF at the end of the distribution period. The amount will vary and sometimes there might not be any distribution.

At the end of each distribution period, the NAV per unit of the Active ETF will typically fall as it is adjusted to reflect the amount of any distribution. As your distribution amount is based on the entire distribution period, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

The distribution frequency and distribution period end dates for the Active ETF are shown in the 'Active ETF profile' section. Distribution details, including the respective payment date, will be provided on the ASX and will also be available at www.perpetual.com.au/active-etfs. The Fund's constitution allows up to 90 days after the end of the distribution period for the payment of distributions.

The Fund's constitution lets us make special distributions on an interim basis.

Any realised net capital gains are generally included in the 30 June distribution. However, we may choose to pay some, or all, of the net capital gains as part of another distribution where we believe investors would benefit from having more consistent distribution payments throughout the year.

You still have to pay tax on the distribution even if it is reinvested or received after the end of the financial year – see 'Distributions' in the 'Tax' section for details.

Distribution payments

Distributions generally will be paid directly into your nominated bank account.

To the extent that we offer a distribution reinvestment plan, investors can choose to have their distributions reinvested in the same Active ETF to acquire additional units in the Active ETF. If we offer a distribution reinvestment plan in respect of the Active ETF, information will be made available at www.perpetual.com.au/active-etfs.

If you are a New Zealand investor, please also refer to 'Distribution reinvestment plan' within 'Important additional information for New Zealand investors' in the 'Additional information' section.

The AQUA Rules and CHESS

The AQUA Rules framework

An application has been made for units in the Active ETF to be admitted to trading status and quoted on the ASX under the AQUA Rules (which form part of the ASX Operating Rules).

The following table sets out the key differences between the ASX Listing Rules and the AQUA Rules.

Comparison between ASX Listing Rules and AQUA Rules		
Requirement	ASX Listing Rules	AQUA Rules
Continuous disclosure	Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.	Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act but must disclose information about: - the net asset value per unit of the Active ETF daily - distributions paid in relation to the Active ETF; and - any other information that is required to be disclosed to ASIC under section 675 of the Corporations Act which must also be disclosed via the ASX Market Announcements Platform at the same time it is disclosed to ASIC. We will comply with the disclosure requirements in section 675 of the Corporations Act as if the Active ETF was an unlisted disclosing entity. This means that we will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the units, provided that such information has not already been included in this PDS (as supplemented or amended). We will publish such information on the ASX and our website at www.perpetual.com.au/active-etfs at the same time as it is disclosed to ASIC. In addition, under the AQUA Rules, we must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the Active ETF or which would be likely to materially affect the price of the Active ETF.
Periodic disclosure	Issuers are required to disclose half-yearly and annual financial information and reports to the ASX.	Issuers of products quoted under the AQUA Rules are not required to disclose their half-yearly or annual financial information or reports to the ASX. We are required to lodge financial information and reports in respect of the Fund with ASIC under Chapter 2M of the Corporations Act and on the ASX.
Corporate governance	Listed companies and listed managed investment schemes are subject to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	Although the units are quoted under the AQUA Rules, the Active ETF itself is not listed and is therefore not subject to certain corporate governance requirements. While Perpetual Limited is listed on the ASX, PIML is not and is similarly not subject to those requirements. We will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act and section 601FM of the Corporations Act, including that we may be removed by an extraordinary resolution of members of the Fund on which we would not be entitled to vote.
Related party transactions	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	Chapter 10 of the ASX Listing Rules does not apply to products admitted to trading status under the AQUA Rules. We are required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.
Auditor rotation obligations	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of listed companies and listed managed investment schemes.	Issuers of products admitted to trading status under the AQUA Rules are not subject to the auditor rotation requirements in Division 5 of Part 2M.4 of the Corporations Act. We have appointed auditors to audit the financial statements and compliance plan of the Fund. The individual auditor of the financial statements is not the same individual auditor of the compliance plan (but they may work for the same firm).
Spread requirements	These are requirements under the ASX Listing Rules that issuers must satisfy certain minimum spread requirements (ie a minimum number of holders each having a minimum parcel size).	These requirements do not apply to issuers of products admitted to trading status under the AQUA Rules. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, the issuer must ensure a reasonable bid and volume is maintained for the product except in permitted circumstances, or have in place other arrangements which meet ASX's requirement for providing liquidity, generally through the appointment of a market maker.

About CHES

We participate in the Clearing House Electronic Sub-register System (CHES) in relation to the Active ETF. CHES is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The unit registry for the Active ETF has established and will maintain an electronic sub-register with CHES for the Active ETF on our behalf.

We will not issue investors with certificates in respect of the Active ETF's units held on the CHES sub-register. Instead, you will receive a holding statement which will set out the number of units you hold.

Tax

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you seek professional tax advice. This information is general only and shouldn't be relied on.

Attribution managed investment trust (AMIT) regime

The Fund has elected into the AMIT regime.

Tax position of the Fund

Generally, Australian income tax won't be payable by the Fund.

Under the AMIT regime, each year, we are required to break down the income of the Fund (net of fees and expenses) into trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (eg franking credit offsets).

The Fund will not be subject to income tax provided that all of the determined trust components are attributed to investors on a fair and reasonable basis and in accordance with its constitution and any other constituent documents of the Fund (which includes its PDS).

Investors will be subject to tax on the income of the Fund that is attributed to them each year ending 30 June. If there is income of the Fund that is not attributed to an investor, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

Australian resident investors

Distributions

For information about the calculation of your distribution entitlement, see 'Distributions' in the 'Investing in the Active ETF' section.

The income of the Fund attributed to you must be included in your income tax return for the year of the entitlement even if any distribution is received or reinvested in the following year – see 'Annual tax statement'.

Where the distributions made to you in respect of an income year are less than¹, or more than, the trust components attributed to you, the cost base of your units will need to be increased or decreased, as appropriate. Details of the trust components attributed to you and any net cost base adjustment will be included on your annual tax statement.

Where the Fund's determined trust components for an income year are revised in a subsequent year (eg due to actual amounts differing to the estimates of income, gains/losses or expenses), then differences (referred to as 'unders and overs') will arise. Unders and overs will generally be taken into account in the year they are discovered.

¹ If this were to occur, the Fund's net asset value per unit would only fall by the amount of the actual distribution and not by the additional amount attributed to investors. You would need to increase the cost base of your units for tax purposes by the amount that has been attributed but not paid as a distribution.

Capital gains tax

In addition to any realised net capital gains attributed to you, any withdrawal or transfer of units in the Fund may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

Annual tax statement

We'll issue annual tax statements, referred to as an AMIT Member Annual Statement (AMMA), for the Active ETF. It will show the taxable and non-taxable components of the income attributed to you (which includes any distributions received or reinvested) and any net cost base adjustment required to be made.

Non-resident investors

Australian tax will be deducted from certain Australian sourced income and capital gains distributed/attributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

Reporting

We are required to report to the ATO certain information relating to your investment in the Fund, including transactions and the income distributed/attributed to you.

Tax residents of other countries

We must obtain details about any other countries where you are a resident for tax purposes (including your taxpayer identification number) as the Fund may be required to report information about your investment (including investment balances and any payments made) to the ATO each year for provision to the relevant overseas tax authority under rules designed to combat tax evasion in that country. We will determine whether the Fund is required to report your details to the ATO for this purpose based on our assessment of the relevant information received.

Tax file number (TFN)/Australian business number (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information we have to withhold tax from the income distributed/attributed to you at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption is provided.

You may prefer to provide an ABN as an alternative to your TFN if your investment is made as part of an enterprise.

We are authorised under tax laws to collect TFNs and ABNs in connection with your investment in the Fund.

Goods and services tax (GST)

GST generally applies to the fees, costs and expenses payable by the Fund, including management costs and other fees payable to us.

Generally, the Fund can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to management costs and certain other expenses, as set out in the GST law.

Unless otherwise stated, the fees and costs in the 'Fees and costs summary' table show the approximate net cost to the Fund of these amounts payable to us, on the basis that the Fund is entitled to claim RITCs for the GST on relevant amounts.

Additional information

No cooling-off rights

Cooling off rights do not apply to Authorised Participants or investors other than Authorised Participants that buy or sell the Active ETF on the ASX.

Reporting and ongoing information available to investors

The following will be available to investors in the Active ETF:

- a distribution statement following the payment of a distribution
- a periodic statement providing details of your investment as at 30 June each year and following your exit from the Active ETF
- an annual report (including financial statements) for each financial year ending 30 June will be available at our website (copy by mail or electronically available on request)
- an annual tax statement and tax guide for the financial year, generally sent by the end of August or shortly after, to help you prepare your income tax return
- confirmation of any other transactions that we are required to report on.

Investors in the Active ETF will also have access to the following information:

- the daily NAV per unit for the Active ETF available on our website
- the Fund's full portfolio holdings updated daily on our website
- information about distributions as they are declared or paid, available on the ASX and our website.

Continuous disclosure documents

The Fund may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Fund may be obtained from, or inspected at, any ASIC office. You may obtain a copy of the following at our website or from us free of charge on request:

- the Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by the Fund
- any continuous disclosure notices given by the Fund
- any other material updates.

Once the Active ETF is admitted to trading status on the ASX, investors will also be able to access information about the Active ETF on the ASX and our website at www.perpetual.com.au/active-etfs.

ASIC relief

Unequal treatment relief

ASIC has granted relief in ASIC Corporations (Relief to Facilitate Admission of Exchange Traded Funds) Instrument 2024/147 (ASIC Instrument 2024/147) to exempt Perpetual from the equal treatment requirement in section 601FC(1)(d) of the Corporations Act, to the extent that it would allow Perpetual to permit only Authorised Participants to withdraw units from the Active ETF. For the purposes of this relief, except in exceptional circumstances, only Authorised Participants may withdraw their units in the Active ETF, but investors other than Authorised Participants may sell their units on the ASX. However, if the units of the Active ETF are suspended from trading on the ASX for more than five consecutive ASX trading days, investors will have the right to redeem units in the Active ETF and receive payment for their interests in money within a reasonable time of request unless any of the following apply:

- the Fund is being wound up
- the Fund is not liquid as defined in subsection 601KA(4) of the Corporations Act, or
- we suspend redemptions in accordance with the Fund's constitution.

Ongoing disclosure relief

ASIC has granted relief under ASIC Instrument 2024/147 from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that Perpetual complies with section 675 of the Corporations Act as if the Fund were an unlisted disclosing entity and includes statements in any PDS for interests in the Fund to the effect that Perpetual will comply with the continuous disclosure requirements of the Corporations Act as if the Fund were an unlisted disclosing entity.

Periodic statement relief

ASIC has granted relief under ASIC Corporations (Periodic Statement Relief for Quoted Securities Instrument 2024/14 (ASIC Instrument 2024/14) to exempt Perpetual from certain periodic statement requirements. In particular, Perpetual is not required (and does not propose) to include in periodic statements details of the price at which an investor transacts in units on the ASX, or information on the return on an investment in units acquired on the ASX (for the year in which the units are acquired), if Perpetual is not able to calculate this and the periodic statement explains why the information was not included and how it can be obtained. ASIC Instrument 2024/14 requires Perpetual to include details of the Perpetual website where information on the performance of the Active ETF is available to investors to make an assessment of the performance of the Active ETF.

Your privacy

We obtain personal information about you to be able to administer your investment and comply with any relevant laws. In some circumstances we may disclose your personal information to Perpetual's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Australian 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
- the types of entities we usually disclose personal information to and the countries where they are likely to be located if it is practicable for us to specify those countries
- 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.

Perpetual's privacy policy is publicly available at our website at www.perpetual.com.au or you can obtain a copy free of charge by contacting us.

Inquiries and complaints

We're committed to providing you with the highest level of service and we have established procedures for dealing with any inquiries and complaints relating to your investment in the Active ETF.

Inquiries

If you have an inquiry, you can either phone the Active ETF's registry provider, MUFG Corporate Markets, on 1800 635 323 (8:00am to 8:00pm – Sydney time Monday to Friday), email them at perpetualetf@cm.mpms.mufg.com or write to:

MUFG Corporate Markets
Perpetual Exchange Traded Funds
Locked Bag A14
Sydney South NSW 1235

Complaints

If you have a complaint about your investment in the Active ETF, you should take one of the following steps:

1. Contact one of our Client Services representatives on 1800 022 033 and tell them about your complaint.
2. Email your complaint to perpetualetf@cm.mpms.mufg.com.
3. Put your complaint in writing and mail it to:
MUFG Corporate Markets
Perpetual Exchange Traded Funds
Locked Bag A14
Sydney South NSW 1235

We will endeavour to respond to your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 30 days. If we have not had a

reasonable opportunity to respond to your complaint before the maximum response timeframe ends, we will write to you to let you know.

If, at any time, you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to provide consumers and small businesses with a free and independent dispute resolution service for complaints about financial firms.

Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. Other limits may also apply, including eligibility requirements for AFCA to hear a complaint.

You can lodge a complaint with AFCA by:

1. using their online portal available at www.afca.org.au/make-a-complaint
2. email addressed to info@afca.org.au
3. calling 1800 931 678 (free call)
4. mail, addressed to:
Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Anti-money laundering/counter-terrorism financing laws

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) and Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (Rules) regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

Under the AML/CTF Act and Rules and the sanctions of Australia (or other sanction regimes that we may comply with), we are required to:

- verify your identity before providing services to you, and potentially from time to time thereafter
- collect information about your circumstances, including the source of funds being invested (individual investors) and your beneficial owners (non-individual investors)
- where you supply documentation relating to your identity, keep a record of this documentation for seven years after the end of your relationship with Perpetual.

As a result:

- transactions may be delayed or refused where we require further information regarding your identity or we have reasonable grounds to believe that the transaction breaches the law or sanctions of Australia (or other sanction regimes that we may comply with)
- where transactions are delayed or refused, we are not liable for any loss you suffer (including consequential loss) as a result of our compliance with the AML/CTF Act and those sanction regimes.

Where required by law, we may disclose your information to regulatory or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (AUSTRAC), which is responsible for regulating the AML/CTF Act.

We are not liable for any loss you may suffer as a result of our compliance with our legal obligations.

Investments and social security

If you are a personal investor, your investment in the Active ETF may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the Financial Information Service provided by Services Australia.

Our role as responsible entity

As the responsible entity of the Fund, our main responsibilities are to manage the Fund according to its constitution and investment strategy as well as properly administering it. We may change the Fund's investment strategy whenever we believe it's in the best interests of investors, without prior notice.

In carrying out our duties, we are subject to the Corporations Act and must:

- act honestly and in the best interests of investors
- exercise care and diligence.

Constitution

All registered managed investment schemes are governed by a constitution. The Fund's constitution (as amended) governs the Fund's operation and, together with this PDS, the Corporations Act and other laws, regulates the Fund and our legal relationship with investors. The Fund's constitution has been lodged with ASIC.

We can amend the Fund's constitution as permitted by the Corporations Act. You may inspect the Fund's constitution at our offices on any business day free of charge or obtain a free copy by contacting us.

Borrowing powers

The Fund's constitution allows the Fund to borrow. The Fund currently does not intend to borrow as part of its investment strategy (see the 'Active ETF profile' section for details of the investment strategy for the Fund).

However, borrowing may occur in the management of the Fund. To the extent permitted, the Fund may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial and arm's length basis).

Our liability

Subject to the Corporations Act, we're not liable to investors for any losses in any way relating to the Fund, except to the extent to which the loss is caused by our fraud, negligence or breach of trust.

Our liability is, subject to the Corporations Act, limited to our ability to be indemnified out of the assets of the Fund.

Rights of investors

Each unit you hold in the Active ETF confers a proportional beneficial interest in the Fund. However, you're not entitled to any particular part of the Fund, its assets or its management or operation (other than through investor meetings).

The Fund's constitution limits your liability to the value of your interest or units in the Fund. However, the courts are yet to conclusively determine the effectiveness of these provisions so no absolute assurance can be given that your liability is limited in every situation.

Incorporation by reference

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

Incorporated information about the details of the latest annual transaction costs for the Active ETF, form part of this PDS. This information is publicly available on our website at www.perpetual.com.au/active-etfs or can be obtained free of charge by contacting us.

You should also read the incorporated information.

Important additional information for New Zealand investors

If you are a New Zealand investor, we are required to provide the following additional information to you under New Zealand law.

Warning statement

1. This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Additional warning statement: currency exchange risk

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Additional warning statement: trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the

financial products and trading may differ from financial product markets that operate in New Zealand.

Additional warning statement: dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.

Distribution reinvestment plan

Units allotted as a result of distribution reinvestment will be allotted in accordance with the PDS (see 'Distribution payments' in the 'Investing in the Active ETF' section for details) and the Fund's constitution (as amended).

Where part or all of a distribution is reinvested, we will send you a statement showing the amount of the distribution and the number of reinvested units that have been allocated to your investment in the Active ETF within 30 days from when those units were allocated.

The following documents are available from us, free of charge on request:

- the most recent annual report of the Fund (if any)
- the most recent financial statements of the Fund (if any)
- the current PDS relating to the Active ETF
- the constitution of the Fund and any amendments.

Contact details

Website

www.perpetual.com.au/active-etfs

Email

MUFG Corporate Markets

perpetualetf@cm.mpms.mufg.com

Phone

MUFG Corporate Markets

8:00am to 8:00pm – Monday to Friday
(excluding Public Holidays)

1800 635 323

Postal address

MUFG Corporate Markets

Perpetual Exchange Traded Funds

Locked Bag A14

Sydney South NSW 1235

Australian Capital Territory

Nishi Building
Level 9
2 Phillip Law Street
Canberra ACT 2601

New South Wales

Angel Place
Level 14
123 Pitt Street
Sydney NSW 2000

Queensland

Central Plaza 1
Level 15
345 Queen Street
Brisbane QLD 4000

South Australia

Level 11
101 Grenfell Street
Adelaide SA 5000

Victoria

Rialto South Tower
Level 29
525 Collins Street
Melbourne VIC 3000

Western Australia

Exchange Tower
Level 29
2 The Esplanade
Perth WA 6000

www.perpetual.com.au

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