

CFS Unit Pricing Discretions Policy

Issued by Colonial First State Investments Limited (CFS)
ABN 98 002 348 352 AFSL 232468 (CFS).

This Policy has been prepared in compliance with ASIC Legislative Instruments and Regulatory Guidance governing the discretions in the pricing and withdrawal of interests in managed investment schemes by CFS as responsible entity and serves as website notice that CFS relies on ASIC Corporations (Discretion for Setting the Issue Price and Withdrawal Price of Interests in Managed Investments Schemes) Instrument 2023/693.

This Policy is current as at the issue date below.

You should ensure that you have the most up to date Policy available from CFS. This Policy does not form part of any Product Disclosure Statement.

Issue date: 31 May 2025

Contact Us:

If you have any queries in relation to this Policy or require further information, you can contact us by:

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In this document we refer to	As
Colonial First State Investments Limited	Colonial First State, CFS, we, our or us
Product Disclosure Statement	PDS
Net Trust Value	NTV
Funds	All funds administered by Colonial First State with the exception of Commonwealth Investment Funds (CIF)



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1. Purpose of the Unit Pricing Permitted Discretions Policy

The purpose of this Unit Pricing Permitted Discretions policy is to define:

- the discretions that CFS (we, us, our) is permitted to exercise that affect the calculation of the unit prices of the Funds.
- The methodology used to calculate the unit prices for the Funds.
- The circumstances and manner in which CFS may exercise the pricing discretions.

2. Related funds and exclusion

- This policy applies to all Funds administered by CFS.
- Current exclusion applies to Commonwealth Investment Funds (CIF) which are covered in a separate policy.

3. Unit Pricing Methodology

The entry and exit prices of units are calculated by:

- (a) taking the total value of Fund assets less Fund liabilities (“Net Trust Value”) at the valuation time.
- (b) dividing it by the total number of units on issue; and
- (c) adjusting the prices (where applicable) to include an allowance for transaction costs.

The unit price for a Fund will change according to changes in the Net Trust Value and the total number of units on issue for that Fund.

Investments and switches into a Fund are processed using an entry price. Generally, the unit price is increased for the transaction cost allowance.

Withdrawals and switches out of a Fund are processed using an exit price. Generally, the unit price is decreased for the transaction cost allowance.

The methodology described above allows us to exercise certain discretions in the calculation of the unit prices of the Funds. The circumstances in which we may exercise these discretions and our policy on how we propose to exercise these discretions are set out below.

4. Unit Pricing Frequency

Under each Fund’s Constitution, CFS may calculate the Net Trust Value as at any time. This is not limited to once a day. Our policy is to calculate unit prices on each NSW business day as at the close of trading of all markets on that day. This ensures that investors are transacting using prices that have been calculated using the most recently available investment valuations. The policy is consistent with ordinary commercial practice and is reasonable.

In some circumstances, including market suspension, restrictions, closure or emergency, we have the power to suspend the calculation of unit prices. Instructions for withdrawals and switches out of a Fund that we

receive during a period of pricing suspension will be deferred until immediately after the suspension has been lifted with instructions deemed to have been received on the deferred date.

Investments and switches into a Fund that we receive during a period of Fund suspension, will be treated in accordance with the relevant PDS. Please see the PDS for further information.

This is consistent with ordinary commercial practice and is reasonable.

5. Transaction Cut-Off times

All Funds (other than suspended, illiquid or terminated Funds)

CFS as Responsible Entity of the Funds has the discretion to nominate transaction cut-off times by which we need to receive investment, switch and withdrawal requests in order to receive the next determined unit price.

Our current policy is that if we receive any valid investment, switch or withdrawal request by the relevant transaction cut-off time (Sydney time) on a NSW business day, the investor will receive the next determined unit price. For funds received electronically, the unit price used will be the price effective on the date we receive the funds in our bank account.

Any valid transaction requests that we receive after the relevant transaction cut-off time will be processed using the next applicable unit price.

Details of transaction cut-off times for the Fund are set out in the Fund's PDS or Information Memorandum. For closed Funds, you can obtain details of the relevant transaction cut-off times by contacting CFS. The relevant transaction cut-off times are reasonable in the circumstances as they allow a reasonable time for processing investments and withdrawals and are in accordance with ordinary commercial practice.

Suspended Funds

In some circumstances we have the power to suspend the processing of withdrawals, switches or investments in a Fund. Instructions for withdrawals or switches out of a Fund that we receive during any period of suspension will be processed using the next determined unit price after the suspension has been lifted. Investments and switches into a Fund that we receive during a period of Fund suspension will be treated in accordance with the relevant PDS or Information Memorandum.

Illiquid Funds

When a Fund is illiquid, withdrawal requests may only be processed in accordance with the terms of a withdrawal offer as required by the Corporations Act or permitted under ASIC relief. The unit price used to calculate this payment will be the price determined at the time the payment is made. Investments and switches into a Fund that we receive into a Fund that is illiquid will be treated in accordance with the relevant PDS.

Terminated Funds

CFS has the discretion to terminate a Fund at any time, subject to the requirements under the Corporations Act. We will not accept instructions for withdrawals and switches out of a Fund after its termination date. Instead, after the termination date the net proceeds are redeemed and returned to investors following the liquidation of assets. Investments and switches into a Fund that we receive into a Fund that is terminated will be treated in accordance with the relevant PDS or Information Memorandum.

6. Valuation of Assets

We are required to value the assets of a Fund in accordance with:

- (a) market value;
- (b) net fair value; or
- (c) such other value that we determine is appropriate to the nature of the assets as specified in the Fund's Constitution.

Valuations will be determined by an independent valuer or another method that we decide to adopt if it is capable of being independently verified. Assets acquired are valued at cost until revalued.

We calculate unit prices on each NSW Business Day using the most recently available valuation of each asset on that day. The valuation of assets that are traded on financial markets are generally based on information provided to us by independent third-party providers. We may get pricing information from more than one source to validate that prices are accurate.

Where no independent external price source is available or where we do not consider that the value provided by the external pricing source is fair value, we will use a "fair value" price for an asset. Fair value pricing is the process of determining a value for those securities for which market prices are not readily available.

Generally, prices are considered readily available if the exchange or market where the security trades is open and actively trading. For certain instruments, (mainly fixed income securities), exchange trading does not apply and alternative determinants of market price such as broker quotations are used. For marketable securities, CFS will rely on industry standard pricing vendors who use a variety of techniques to establish market prices. Private placements or securities issued with trade restrictions typically require valuation under a fair value process. Where a significant market event occurs that prevents CFS from obtaining asset valuations, CFS may choose to suspend pricing or use a fair value methodology to derive an asset price.

CFS considers that its policies on the exercise of discretions in respect of valuations are reasonable, meet Australian Accounting Standards and are in accordance with ordinary commercial practices.

7. Contribution, Switching & Exit Fees

Contribution Fees

The Constitutions may allow contribution fees to be deducted from each investment made into a Fund. Our policy is to not charge contribution fees for initial or additional investments into the Funds.

Exit and Switching Fees

Although the Constitutions may allow exit fees and switching fees to be charged, our current policy is not to charge any exit or switching fees.

Details of the fees charged are set out in the most recent PDS. For closed Funds you can obtain details of the fees by contacting CFS. CFS may change the fees at any time at its absolute discretion. If the variation is an increase, then we will give investors 30 days advance written notice. CFS considers that its policies on fees are in accordance with ordinary commercial practice and are reasonable

8. Management Fees

CFS has the discretion to charge management fees for the management of each Fund to the maximum limit prescribed in the Fund's Constitution. The PDS discloses the current management fees charged to investors. For closed Funds you can obtain details of the fees by contacting CFS.

Currently, management fees are reflected within the daily unit price and are calculated and paid monthly. For some Funds we have the discretion to change the frequency with which we calculate and pay management fees. For Funds that are terminating, we may charge management fees up to the date of the final distribution.

CFS may vary the management fees charged to a Fund at any time at our absolute discretion, without investor consent, within the limits prescribed in each Fund's Constitution. If the variation is an increase in the management fee we will provide investors with 30 days advance written notice.

The Fund's Constitution allows for the ongoing operating costs, charges, expenses and property incurred ongoings (such as registry, trust accounting, investment, audit, regulatory, taxation advice and production of offer documents) and other administration costs, charges and expenses to be paid directly from the Fund.

CFS as the responsible entity is entitled to recover these costs from the Fund. The Constitution does not place any limit on these costs that can be paid from each Fund. Abnormal costs (such as costs of unitholder meetings, recovery and realisation of assets, changes to the Constitution and defending or pursuing legal proceedings) will be paid out of the Fund.

For certain Funds, CFS may pay to an investor, from its own resources, any amounts that it, in its discretion, determines by way of offset or rebate of fees. Such arrangements would be subject to individual negotiation, compliance with legal requirements and any ASIC conditions.

In addition, we may pay portfolio or other rebates on management fees in accordance with the terms and conditions set out in the PDS. For closed Funds you can obtain details of any rebates by contacting CFS. CFS has the discretion to change the rebate level and/or portfolio definition and/or eligibility or conditions at any time.

CFS considers that its policies for management fees, recovery of expenses and payment of rebates are reasonable and are in accordance with ordinary commercial practice.

9. Performance Fees

For some Funds, the Constitution allows CFS to receive a performance-related fee where the Fund's performance exceeds a specified benchmark or performance hurdle. In such case, the Constitution prescribes:

- (a) the maximum performance-related fee rate;
- (b) the performance benchmark/hurdle;
- (c) the method and timing of performance-related fee calculation; and
- (d) the performance calculation method (e.g. before or after management fees, before or after tax).

Any performance-related fees charged by the Fund and the basis of calculation (including rates, benchmarks/hurdles and performance calculation method) are disclosed in the PDS or Information Memorandum.

Under the Constitution, the payment and calculation of performance-related fees may occur monthly or at other frequencies or times that we may decide. Currently, the estimated performance-related fees are reflected within the daily unit price (or where relevant, monthly) and are paid in accordance with the relevant PDS or Information Memorandum. The fee is calculated as a percentage rate (inclusive of the net effect of GST) of the Fund's outperformance relative to a benchmark or performance hurdle.

For Funds that are terminating, we may charge performance-related fees up to the date of the final distribution. Performance-related fees are not payable until any existing negative performance-related fees are fully offset. In extreme circumstances (e.g. if the net outflow from the Fund is more than 10% in one month) CFS may reduce any accrued negative performance-related fee in proportion to the percentage of net outflow. CFS may charge less than the maximum amount of performance-related fee. In addition, we may change the applicable benchmarks or performance hurdles and may change the performance related fee rates up to the maximum allowable in the Constitution. If the variation may result in an increase in performance-related fees, then we will give investors 30 days advance written notice of the change.

We may change the benchmark if the benchmark no longer exists or is no longer appropriate. CFS considers that its policies for performance-related fees are reasonable and are in accordance with ordinary commercial practice.

10. Tax

The Constitution allows us to recover from the relevant Fund any taxes that we incur on behalf of a Fund. It is CFS policy to apply GST of 10% where applicable. The Fund will then recover any Input Tax Credit (or Reduced Input Tax Credit) entitlements.

11. Transaction Costs

The Constitution provides that CFS may adjust the entry and exit prices to include a transaction cost allowance or a "buy-sell spread". CFS has a discretion to determine whether to apply a buy-sell spread and also has a discretion in estimating the amount of the buy-sell spread.

We generally apply a buy/sell spread to all investments and withdrawals from a Fund. The amount of the buy-sell spread for each Fund is reviewed annually against historical transaction costs and the levels of Investments and withdrawals from the relevant Fund. For new Funds, estimates of the expected transaction costs are based on the assets that the Fund will invest in. The buy/sell spread (or transaction costs) that applies to each Fund is disclosed in the PDS or Information Memorandum. We may alter the spreads at any time.

Our policy is not to apply a buy-sell spread to:

- Distribution reinvestments; or
- Funds where the transaction costs incurred are minimal or zero.

In the case of large investments or withdrawals, buy/sell spreads may not be charged or may reduce where no material costs are incurred (for example in-specie transfers or when a new investment coincides with a withdrawal by someone else). These instances are assessed on a case by case basis.

CFS considers that these policies are reasonable as they aim to direct transaction costs to investors who are transacting rather than other investors in the Fund and are in line with generally accepted market practice.

12. Rounding of Unit Prices

CFS policy is to issue all entry and exit prices rounded to 4 decimal places and to issue units rounded to 4 decimal places. CFS considers this to be reasonable as it is within an acceptable range and is consistent with generally accepted market practice.

13. Register of discretions

CFS keeps a register of any situations where we exercise a pricing discretion that is not covered by this policy or where we exercise a pricing discretion in a way that is different from this policy. CFS will only exercise such discretions in the best interests of investors. You may request a copy of the register of discretions at no charge.

The Policy has been prepared by Colonial First State Investments Limited ABN 98 002 348 352 AFSL232468. It is general information only and is not intended to provide you with financial advice or consider your objectives, financial situation or needs. When referring to this Policy, you should ensure that the copy you are referring to is the most recent version available from CFS. This Policy does not form part of any product disclosure statement or information memorandum and should not be relied upon by investors when making investment decisions in relation to the funds specified in this Policy.

