Perpetual Select Investment Funds

CHANGES TO INVESTMENT OPTIONS

Perpetual Select Investment Funds is amending the investment guidelines and CPI investment return objective for the multi-asset class investment options from 1 October 2020. Additionally, the Standard Risk Measures (SRMs) are changing for some investment options.

WHAT IS CHANGING

Following a comprehensive review of the investment strategies for Perpetual Select Investment Funds, there will be changes to some of the investment options from 1 October 2020 including:

- updated CPI return objectives for the multi-asset class investment options;
- updated standard risk measures (SRMs) for some investment options;
- updated minimum suggested timeframe for Fixed Income investment option; and
- updated investment guidelines for the multi-asset class investment options.

The updates to investment objectives and investment guidelines are aimed at helping each option achieve its target given current and expected market conditions.

HOW DOES THIS AFFECT ME?

What these updates mean for you will depend on whether the new risk levels of the investment options you are invested in are in line with your investor risk profile. Before making any decisions, we strongly recommend that you speak to a licensed financial adviser.

CHANGES TO CPI RETURN OBJECTIVES

INVESTMENT OPTION	CURRENT CPI INVESTMENT RETURN OBJECTIVE	CPI INVESTMENT RETURN OBJECTIVE FROM 1 OCTOBER 2020
Conservative	CPI + 2.5% over 3 years	CPI + 1.0% over 3 years
Diversified	CPI + 3.0% over 4 years	CPI + 2.0% over 5 years
Balanced	CPI + 3.5% over 5 years	CPI + 3.0% over 7 years
Growth	CPI + 4.0% over 5-10 years	CPI + 3.5% over 10 years

STANDARD RISK MEASURE

The SRM is based on industry guidance to allow unitholders to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period.

The SRM is not a complete assessment of all forms of investment risk, it does not consider what the size of a negative return could be or the potential for a positive return to be less than you may require to meet your objectives. You should ensure you are comfortable with the risks and potential losses associated with your chosen investment option(s).

Please refer to the below table which details the risk bands and the estimated number of negative returns over any 20-year period.

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

	STANDARD RISK MEASURE	
INVESTMENT OPTION	CURRENT	FROM 1 OCTOBER 2020
Conservative	4 – Medium	5 – Medium to High
Diversified	5 – Medium to high	6 - High
Balanced	5 – Medium to high	6 – High
Growth	6 - High	6 - High
Fixed Income	3- Low to medium	5 – Medium to High
Real Estate	7 – Very high	7 – Very high
Australian Share	6 - High	6 - High
International Share	6 - High	6 - High

CHANGES TO MINIMUM SUGGESTED TIMEFRAME – FIXED INCOME ONLY

This is a guide only and not a recommendation. You should discuss your investment in the Fund(s) with your financial adviser to ensure that it meets your needs.

INVESTMENT OPTION	CURRENT	FROM 1 OCTOBER 2020
Fixed Income	2 years or more	3 years or more

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CHANGES TO INVESTMENT GUIDELINES

CONSERVATIVE

ASSET CLASS	CURRENT INVESTMENT GUIDELINES	INVESTMENT GUIDELINES FROM 1 OCT 2020
Cash	5-30%	0-30%
Fixed Income	10-45%	10-40%
Diversified Credit	0-30%	20-60%
Income Alternatives	0-10%	0-20%
Real Estate	0-10%	0-10%
Australian Shares	5-20%	5-20%
International Shares	5-20%	10-30%
Growth Alternatives	0-15%	0-10%

DIVERSIFIED

ASSET CLASS	CURRENT INVESTMENT GUIDELINES	INVESTMENT GUIDELINES FROM 1 OCT 2020
Cash	0-25%	0-30%
Fixed Income	10-40%	10-30%
Diversified Credit	0-25%	10-40%
Income Alternatives	0-10%	0-10%
Real Estate	5-15%	0-15%
Australian Shares	5-25%	10-25%
International Shares	5-25%	15-40%
Growth Alternatives	0-20%	0-20%

BALANCED

ASSET CLASS	CURRENT INVESTMENT GUIDELINES	INVESTMENT GUIDELINES FROM 1 OCT 2020
Cash	0-15%	0-30%
Fixed Income	0-30%	5-20%
Diversified Credit	0-20%	5-25%
Income Alternatives	0-10%	0-10%
Real Estate	5-15%	0-15%
Australian Shares	10-35%	10-35%
International Shares	10-35%	15-50%
Growth Alternatives	0-20%	0-20%

GROWTH

ASSET CLASS	CURRENT INVESTMENT GUIDELINES	INVESTMENT GUIDELINES FROM 1 OCT 2020
Cash	0-15%	0-30%
Fixed Income	0-25%	0-10%
Diversified Credit	0-10%	0-10%
Income Alternatives	0-10%	0-10%
Real Estate	5-15%	0-15%
Australian Shares	15-45%	15-40%
International Shares	15-45%	20-60%
Growth Alternatives	0-20%	0-20%

The information contained in this flyer is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

FURTHER INFORMATION

For further information, please contact us on 1800 003 001 between 8:30am and 6:00pm (AEST) Monday to Friday or speak to your financial adviser. Alternatively, you can visit our website at www.perpetual.com.au/investments or email us at investments@perpetual.com.au.

MORE INFORMATION

Perpetual 1800 003 001
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