

Perpetual Private

# PERPETUAL CHARITABLE ENDOWMENT FUND

December 2025



## FUND FACTS

**Investment objective:** Aims to provide income tax exempt investors such as charitable endowments and foundations with income and long-term capital growth through an investment in a diversified portfolio with an emphasis on Australian Shares.

**Suggested length of investment:** Five years or longer

## BENEFITS

Provides investors with access to a diverse range of growth and income producing assets.

## RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

## INVESTMENT APPROACH

The Fund combines investment managers with different investment styles and philosophies. For asset classes other than Diversified Alternatives, cash and derivatives, the Fund aims to invest in underlying funds which consider environmental, social, and governance (ESG) factors as part of their investment process. The Fund is managed according to its investment guidelines which have a set exposure to each investment manager. The Fund is regularly reviewed and re-weighted to the set investment guideline. Re-weighting means realigning the asset allocation to the investment guidelines for each investment manager. This can help reduce the volatility of the investment by avoiding over exposure to a particular investment manager that has grown more quickly than another.

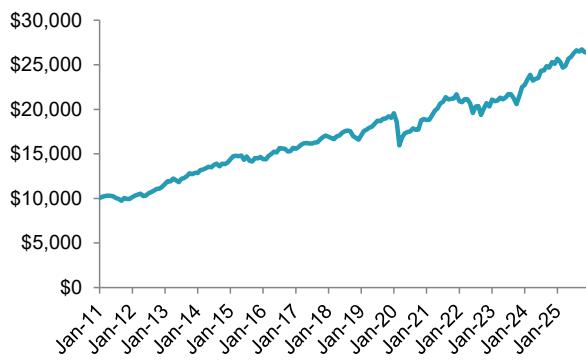
## TOTAL RETURNS % (AFTER FEES) AS AT 31 DECEMBER 2025

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Charitable Endowment Fund	PER0558AU	-0.1	-0.4	1.9	5.0	9.1	6.9
Perpetual Charitable Endowment (incl. Franking)	PER0558AU	0.0	-0.3	2.1	5.5	9.6	7.4
Perpetual Charitable Endowment Composite Benchmark		0.3	0.6	4.8	9.8	11.7	8.7

Past performance is not indicative of future performance

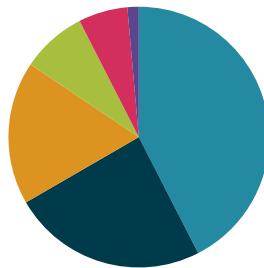
## GROWTH OF \$10,000 SINCE INCEPTION\*

— Perpetual Charitable Endowment Fund



\*The Growth of \$10,000 chart includes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable sales or redemption charges which would lower these figures.

## PORTFOLIO EXPOSURES<sup>^</sup>



- Australian Equities, 42.5%
- International Equities, 24.2%
- Diversified Alternatives, 17.8%
- International and Australian Fixed Income, 8.1%
- Real Estate, 6.1%
- Cash, 1.4%

<sup>^</sup>Portfolio exposures represent the Perpetual Charitable Endowment Fund

## INVESTMENT GUIDELINES

	BENCHMARK (%)	RANGE (%)
Cash	2	0 - 30
International Fixed Income	5.5	0 - 20
Australian Fixed Income	2.5	0 - 20
Australian Shares	42	25 - 60
Real Estate	6	5 - 15
International Shares	24	0 - 30
Diversified Alternatives	18	0 - 30

## PORTFOLIO COMMENTARY

The Perpetual Select Charitable Endowment Fund finished lower for the December quarter, also underperforming its composite benchmark over the same time period. Real Estate and Fixed Income both outperformed their benchmark, attributing to value. Australian and International Equities both underperformed their respective benchmarks, with international equities managing to remain in positive territory.

The Implemented Responsible Investment (RI) Australian Share Portfolio underperformed the S&P/ASX 300 benchmark over the December quarter. Both underlying managers underperformed during the period, resulting in a negative overall outcome for the portfolio. The allocation effect was the largest detractor, driven primarily by an overweight to the Information Technology sector, which lagged the broader market. Stock selection within the sector also detracted, with Life360, Xero and Technology One the most significant contributors to underperformance. Within Materials, both strategies continued to carry underweight positions to several strongly performing mining companies, further detracting from returns as commodity-linked names rallied over the quarter. On the positive side, the largest contributors came from underweight positions in Pro Medicus and Aristocrat, both of which underperformed the broader market. These underweights helped offset some of the weakness elsewhere in the portfolio.

The Implemented Responsible Investment (RI) International Share Portfolio outperformed the MSCI All Country World Index (unhedged AUD) on a net of fees basis in the final quarter of 2025. Across the manager line up Barrow Hanley outperformed, while Osmosis and Mirova both underperformed the benchmark. The primary contributors to performance were Ely Lilly, Standard Chartered and Alphabet, while notable detractors included Microsoft, JD.com and Oracle.

The Implemented Responsible Investment (RI) Fixed Income Portfolio was established in 2024 and is currently invested in the BNP Green Bond strategy and Blackrock ESG Australian bonds. Over Q4 2025, the fund outperformed its benchmark by 0.1% net of fees driven primarily by the performance of green bonds relative to the broader fixed income universe.

The Perpetual Private RI Real Estate Fund outperformed its benchmark over the quarter. UBS, the portfolio's sole exposure to Global REITs delivered performance that exceeded the FTSE EPRA/NAREIT Green Target Index – net Return (unhedged in AUD), net of fees. The exclusion of Specialised REITs contributed to returns while cash detracted in a positive market.

The Diversified Alternatives sector generated positive performance over the quarter. Returns from the Fund's allocations to broadly syndicated loans, trade finance and floating rate credit were a positive contributor over the period; asset-backed returns while positive has lagged benchmark returns. Within Impact Private Equity, the Indian micro-finance sector continues to be challenged with slowing loan growth and difficulty raising additional capital

## RETURNS BREAKDOWN (INVESTMENTS)

	FY 2025	FY 2024
Growth Return %	9.4%	5.8%
Distribution Return %	0.8%	4.5%
Total Return %	10.2%	10.2%

## DISTRIBUTION BREAKDOWN

	FY 2025	FY 2024
Cents per unit	9.5674	4.9388

## PRODUCT FEATURES

	INVEST.
Inception date	Jan 11
Management Fee (p.a.)*	1.05%
Ongoing fee discount	Yes
Buy spread	0.20%
Sell spread	0.00%
Contribution fee	0.00%
Withdrawal fee	\$0
Monthly member fee	\$0
Min. initial contribution	\$0
Min. additional contribution	\$0
Savings plan	NA
Withdrawal plan	NA
Distribution frequency	Quarterly

Contact information 1800 677 648

\*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

## OUTLOOK

As we close out 2025, resilience remains a defining feature of global markets. Monetary policy is still broadly accommodative, although increasingly uneven across regions. Growth is expected to slow modestly in 2026 but remain in expansion territory. Consumer spending has been more durable than expected, business investment continues to strengthen, and earnings momentum is broadening across sectors and regions. These drivers do not eliminate risk, but they do raise the threshold required to meaningfully disrupt the current market momentum.

Valuations remain stretched in several areas, particularly among AI-linked names and its potential benefits continue to be something investors are actively considering. Geopolitical tensions, especially those tied to the US administration, along with lingering inflation pressures, are likely to contribute to volatility in the year ahead. Even so, fiscal policy is set to remain highly supportive. The US, Europe, Japan, and other G20 nations are expected to deliver sizeable stimulus that should help encourage growth through 2026.

Against this backdrop, discipline will be essential. Investors should continue to focus on high-quality, resilient businesses while remaining selective in areas where current valuations leave little margin for error. With central bank paths diverging and earnings growth becoming more globally distributed, maintaining broad international diversification is increasingly important.

With the potential for dispersion to rise, active positioning and thoughtful risk management are likely to matter more than concentrated, binary investment decisions as markets navigate another year of mixed signals and shifting opportunities.

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## MORE INFORMATION

Adviser Services 1800 677 648

Email [Selectqueries@cm.mpms.mufg.com](mailto:Selectqueries@cm.mpms.mufg.com)

[www.perpetual.com.au](http://www.perpetual.com.au)

