

PERPETUAL SELECT CONSERVATIVE FUND

March 2026

FUND FACTS

Investment objective: Stable returns through investment in a diversified portfolio with an emphasis on fixed income and cash investments.

Suggested length of investment: Three years or longer

INVESTMENT APPROACH

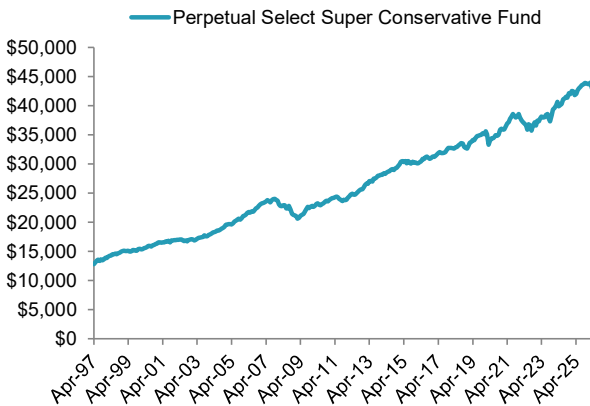
Invests into a diverse mix of assets (see 'Investment guidelines' below). Tactical asset allocation strategies may be applied. This process involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines. Derivatives and exchange traded funds may be used in managing each asset class.

TOTAL RETURNS % (AFTER FEES) AS AT 31 MARCH 2026

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Select Super Conservative Fund	WDL0005AU	-2.3	-1.9	-1.5	2.7	4.3	3.3
Perpetual Select Pension Conservative Fund	WDL0015AU	-2.6	-2.1	-1.6	2.8	4.8	3.6
Perpetual Select Conservative Composite Benchmark		-2.2	-1.2	-0.5	5.9	7.0	5.3

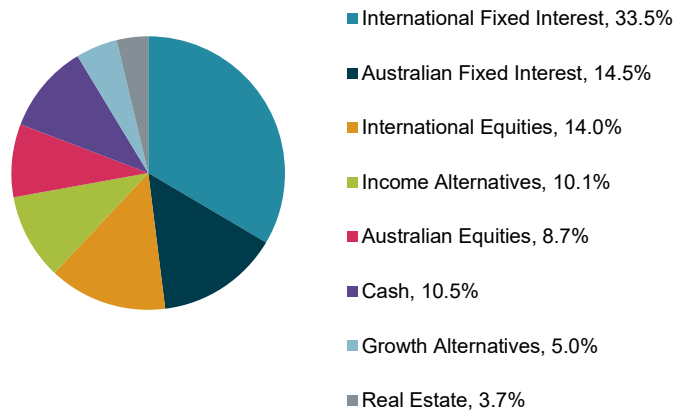
Past performance is not indicative of future performance

GROWTH OF \$10,000 SINCE INCEPTION*



*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[^]



[^]Portfolio exposures represent the Perpetual Select Super Conservative Fund

INVESTMENT GUIDELINES

	BENCHMARK (%)	RANGE (%)
Cash	10	0 - 30
International Fixed Interest	33.5	15 - 60
Australian Fixed Interest	14.5	10 - 40
Income Alternatives	10	0 - 20
Australian Equities	9	5 - 20
Real Estate	4	0 - 10
International Equities	14	10 - 30
Growth Alternatives	5	0 - 10

PORTFOLIO COMMENTARY

The Perpetual Select Conservative Fund finished lower for the March quarter and underperformed its composite benchmark over the same time period. Defensive Alternatives was the sole positive contributor. Real Estate was negative but outperformed its benchmark. Australian Equities, International Equities, Growth Alternatives, Global and Australian Fixed Income were negative both in absolute performance and relative to their respective benchmarks.

For the quarter, Australian Equities (S&P/ASX 300 Accumulation Index) slumped -2.0%, Global Equities (MSCI All Country World Index) dropped -5.8% and listed Real Estate (Composite Listed Index) fell -9.2%. Australian Fixed Income (Composite Index) delivered -0.3% and Global Fixed Income (Composite Index) returned -0.3%. All returns are in AUD.

The Perpetual Select Australian Share Fund underperformed the S&P/ASX 300 benchmark over the March quarter. Over this period there was a high dispersion of return outcomes, growth stocks underperformed value stocks by 13%, while small cap stocks were also sold off heavily, having underperformed large caps by 10%. At the sector level, dispersion was at extreme levels, with a 63% differential between the best sector (Energy +36%) and the worst sector (Technology - 27%). Against this backdrop it was a particularly difficult quarter for our growth manager, Selector. Like their peers, they have not only faced into stylistic headwinds but have also faced challenges in their current sector positioning. The manager was highly overweight the two weakest sectors, Technology (-28%) and Healthcare (-17%), whilst also not holding any exposure to the Energy sector, along with no Resources exposures. The strongest performing exposure was our UBS passive ASX20 strategy, which delivered a positive return of 3% for the quarter, outperforming the fund's S&P/ASX 300 benchmark by 5%. This was driven by strength from select large cap names, namely Woodside, BHP, Rio Tinto, Telstra, QBE, Woolworths and Northern Star (all up over 10% for the period). Despite small cap weakness, we also saw a relatively strong quarter from our high conviction small cap manager, DNR, who have strongly rotated their portfolio towards the Resources and Energy sector. Across the remaining mandates, our value manager, Perpetual Concentrated Equity, and our Quantitative core manager, Acadian, were both marginally below benchmark for the period. While our remaining small cap manager, Tribeca, finished the period 4% below their S&P/ASX Small Ordinaries benchmark.

The Perpetual Select International Share Fund underperformed the MSCI All Country World Index (unhedged AUD) on a net-of-fees basis in the March quarter. Of the manager line up, Barrow Hanley, Lazard and Arrowstreet outperformed the benchmark over the period, while SGA and Man Numeric underperformed. At the aggregate portfolio level, stock selection effect was the main detractor, while sector allocation and regional allocations were broadly neutral. Stock selection was weakest within the Financials, Communication Services, and Industrials sectors. The largest contributors to performance were Permian Resources, Sandisk and Samsung, while the largest detractors from performance were Microsoft, Meta and Intuit.

The Perpetual Select Real Estate Fund outperformed its composite benchmark over the quarter. Resolution Capital, the portfolio's sole exposure to Global REITs outperformed its benchmark over the quarter, net of fees. From a regional perspective, being overweight the UK and underweight the US was a detractor, whereas sector allocation and stock selection were both positive contributors. Key stock contributors were their data centre exposure via Equinix (+28%), and some of their Asian property development companies, with Hong Kong based Sun Hung Kai Properties (+37%) and Japan based Sumitomo Realty & Development (+12%). Renaissance Asset Management, the portfolio's sole exposure to Australian REITs, marginally underperformed its benchmark over the quarter, net of fees. While their sector positioning was additive to returns, this was offset by stock selection to deliver a broadly neutral return relative to benchmark. It was a tough period for the Diversified REITs segment, with Renaissance holding marginal overweights to Stockland, Charter Hall, Centuria and Aspen, which were all down over 20%. Another key detractor was their position in Digo Infrastructure REIT, which fell 37% following earnings miss and some leadership concerns.

The Perpetual Private Global Fixed Income Fund returned -0.88% for the period, underperforming the Bloomberg Global Aggregate (Hedged) Index return of -0.25%. Overweight Australian and UK duration positions detracted from value. The Fund was also overweight Credit and High Yield, which underperformed government bonds over the period.

RETURNS BREAKDOWN (Super)

	FY 2025	FY 2024	FY 2023
Growth Return %	-4.9%	9.6%	-0.2%
Distribution Return %	0.0%	0.0%	0.0%
Total Return %	-4.9%	9.6%	-0.2%

PRODUCT FEATURES

	SUPER	PENSION
Inception date	Jul 92	Jul 92
Investment Fee (p.a.)*	0.62%	0.62%
Ongoing fee discount	Yes	Yes
Admin fee	0.10%	0.10%
Buy spread	0.18%	0.18%
Sell spread	0.00%	0.00%
Contribution fee	0.00%	0.00%
Withdrawal fee	\$0.00	\$0.00
Monthly member fee	\$0.00	\$0.00
Min. initial contribution	\$3,000	\$20,000
Min. additional contribution	\$0	\$0
Savings plan	Yes	No
Withdrawal plan	No	No
Distribution frequency	N/A	N/A
Contact information	1800 677 648	

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

The Perpetual Private Australian Fixed Income Fund returned -0.39%, underperforming the AusBond Composite All Maturities Index return of -0.34%. Australian Bonds underperformed global bonds for the period, off the back of inflation concerns and two consecutive rate rises by the RBA during the quarter.

Perpetual's Defensive Alternatives Pool Fund returned 0.3% for the three months ending March 2026, underperforming its benchmark return of 1.5%. European senior secured lending and property backed lending were the biggest detractors for the period, led by bad debt provisioning in some UK assets. CLOs and leveraged loans underperformed for the period which also contributed to relative losses. The Fund's Australian exposures performed well, especially its positions in speciality finance and insurance premium funding.

Perpetual's Growth Alternatives Pool Fund returned -0.75% during the quarter to end of March 2026, underperforming its benchmark by 2.9%. The fund runs a partial hedge against its investments denominated in foreign currency. The unhedged proportion of the fund's assets lost value in AUD terms, as result of the strength in the AUD over the period and was the primary contributor to underperformance. However, across the underlying assets, and in local currency terms, Infrastructure, Hedge Funds, and Private Equity all delivered positive returns. While the fund's investment in Opportunistic Property and Other Growth Alternatives, detracted from performance in local currency.

OUTLOOK

The March quarter reminded investors that calm rarely persists for long. What began as a year marked by resilient growth and constructive market momentum was quickly disrupted by a renewed escalation in geopolitical risk, most notably in the Middle East, driving a sharp repricing of energy markets and reviving concerns about inflation. Yet, despite heightened volatility and a material risk-off move into quarter-end, the underlying economic backdrop has remained more resilient than originally feared. Consumption, business investment and corporate earnings have generally held up, underscoring the global economy's ability to absorb shocks, at least in the near term.

Against this backdrop, the path forward is unlikely to be linear. Elevated equity valuations, ongoing geopolitical uncertainty and energy supply risks suggest volatility will remain a feature of markets, particularly as inflation dynamics continue to cloud the outlook for monetary policy. However, this environment does not, in isolation, argue for exiting positions. Rather, market outcomes are becoming more differentiated, with performance increasingly driven by sector, style and regional exposures. In our view, investors best placed to navigate this phase will be those who remain diversified, focus on quality and resilience, avoid reactive positioning during periods of short-term volatility, and use episodes of market stress to position for longer-term opportunities as clearer economic trends emerge.

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