

Fund Profile - 30 September 2025

Implemented RI Australian Share Portfolio

Fund facts

APIR code	PER6066AU
Inception date	1 November 2024
Asset class	Domestic Equities
Investment style	Multi manager blend
Benchmark	S&P/ASX 300 Accumulation Index
Suggested length of investment	Five years or more
Unit pricing frequency	Daily
Distribution frequency	Quarterly
Legal type	Unit trust
Product type	Wholesale managed investment scheme
Status	Open
Management fee*(%)	0.90%
Buy/Sell spread	0.12% / 0.12% as at June 2025
Issuer	Perpetual Investment Management Limited

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

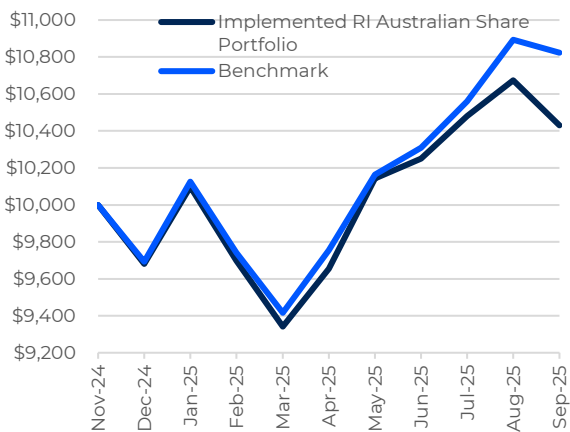
Investment objective

To deliver long term capital growth and income by investing in a diversified portfolio of Australian shares. To outperform the S&P/ASX 300 Accumulation Index (before fees and tax) over rolling three-year periods.

Benefits

Provides investors with access to a diversified portfolio of Australian shares through a professionally managed, multi-manager structure. Reduced manager-specific risk through style and philosophy diversification. Inclusion of Responsible Investment considerations as part of specialist investment manager’s investment strategy.

Growth of \$10,000 since inception (net of fees)



Net performance

As at September 2025

Returns	1M	3M	1Y	3Y	5Y	S/I*
Total return	-2.3%	1.7%	-	-	-	4.3%
Growth return	-2.7%	1.3%	-	-	-	0.0%
Distribution return	0.4%	0.4%	-	-	-	4.3%
Benchmark	-0.7%	5.0%	-	-	-	8.2%
Excess Return	-1.6%	-3.2%	-	-	-	-3.9%

Source: State Street. Performance shown is net of all fees and transaction costs. Past performance is not indicative of future performance. *Since Inception

Top 10 Stock holdings

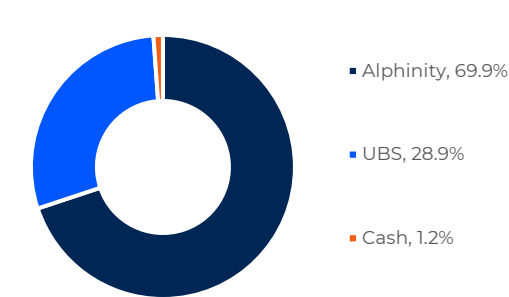
As at September 2025

Stock	Weight %	Country
BHP Group Limited	7.8%	Australia
Commonwealth Bank	5.8%	Australia
CSL Limited	5.6%	Australia
ANZ Banking Group	5.0%	Australia
National Australia Bank	4.7%	Australia
Westpac Banking Corporation	4.5%	Australia
Macquarie Group	4.5%	Australia
Goodman Group	4.5%	Australia
QBE Insurance Group Limited	3.2%	Australia
Wesfarmers	3.1%	Australia
Total Top 10 Holdings %	48.6%	

Source: State Street, FactSet.

Portfolio exposure by manager

As at September 2025



Source: State Street, FactSet

Investment strategy

The strategy is biased towards utilising investment managers that have a robust investment process, operate within an appropriate risk management framework and operate in an aligned and stable organisational structure. Utilising a multi-manager framework, the strategy aims to provide a blend of managers that together are expected to deliver a relatively smooth return profile, while including Responsible Investment considerations as part of their investment strategy.

Each investment manager is granted the flexibility to apply their unique investment philosophy and approach to assessing investments from an ESG and responsible investment perspective. This may include the use of both negative and/or positive screening methodologies. However, all specialist investment manager strategies must include the Global Industry Classification Standard (GICS¹) based exclusionary screens as outlined in the Product Disclosure Statement (PDS), which prohibit investment in companies identified in specific GICS sub-sectors.

Specialist investment managers are selected for their distinct investment styles and/or biases which are intentionally chosen to improve the risk/return characteristics of the overall investment blend. Collectively, this multi-manager structure aims to deliver a well-diversified portfolio across holdings, sectors, and market capitalisations.

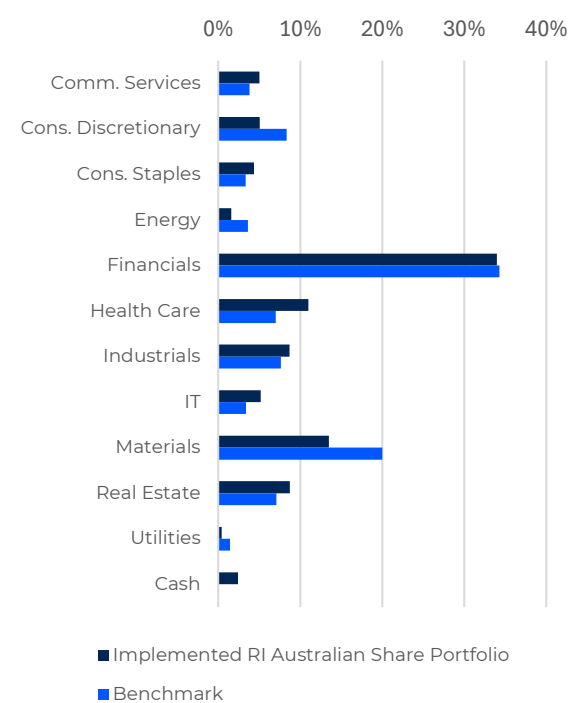
Perpetual undertakes rigorous due diligence prior to manager selection. Each selected manager is engaged under a separate account arrangement, allowing full transparency over the underlying holdings. Managers are subject to ongoing review and may be appointed or removed at Perpetual's discretion, without prior notice to investors. As such, the composition of specialist investment managers may vary throughout the life of your investment.

Investment approach

The Portfolio adopts a multi-manager approach, combining specialist investment managers with complimentary styles and philosophies. This diversification seeks to reduce volatility by avoiding over-exposure to any single manager or investment style. Specialist investment managers are selected based on their ability to implement Responsible Investment strategies, which may include replication of an ESG index. Derivatives may be used in managing the portfolio.

Sector exposures

As at September 2025



Source: State Street, Factset

Manager line-up and approach

As at September 2025

Manager	Approach
Alphinity Investment Management	Core manager with a hybrid fundamental/quant approach, with a multi-layered ESG integration process.
UBS Asset Management	Passive exposure to MSCI Australia Selection Index, representing companies meeting specific ESG criteria.

GICS sector based exclusionary screens

As at September 2025

Excluded Industries for Direct Investment*
Tobacco – (GICS sector 30203010) – Defined as “Manufacturers of cigarettes and other tobacco products”
Casinos and Gaming – (GICS sector 25301010) – Defined as “Owners and operators of casinos and gaming facilities. Includes companies providing lottery and betting services”
Brewers or Distillers and Vintners – (GICS sectors 30201010 & 30201020) – Defined as “Producers of beer and malt liquors, distillers, vintners and producers of alcoholic beverages”
Other specialised REITS – (GICS sector 60108010) – Defined as “Companies or trusts engaged in the acquisition, development, ownership. Leasing, management and operation of properties not classified elsewhere under another GICS equity real estate investment trusts classification”

*Please refer to the Product Disclosure Statement for further information in relation to our ESG screening criteria.

Market Commentary

Australian shares delivered solid gains over the September quarter. The S&P/ASX 300 rose 5.0%¹, extending the market's recovery from April's "Liberation Day" lows. Over the 12 months to 30 September, the index returned 10.8%. Smaller companies were the standouts, with the ASX Small Ordinaries climbing 15.3%² for the quarter and 21.5% year-on-year, supported by strong flows into emerging resource names and a boost from lower interest rates.

Macro conditions provided a mixed backdrop. The Reserve Bank of Australia cut rates by 25 bps in August, taking the cash rate to 3.60%. However, inflation picked up with monthly headline CPI rising to 3.0%³ year-on-year in August, its highest level in the past 12 months. Stronger-than-expected GDP growth in Q2, driven by the fastest household spending increase in three years, also tempered expectations for near-term easing. Employment data showed signs of softening, with weaker jobs growth and unemployment remained steady. a modest uptick in unemployment. Still, Governor Bullock stressed in her September parliamentary statement that "while labour market conditions have eased a little...we assess that some tightness remains," underscoring the RBA's view that the jobs market is cooling only gradually.

At the sector level, performance was uneven. Materials (+21.2%⁴) were the clear standout, buoyed by a sharp rally in gold miners and renewed strength across base metals. Consumer Discretionary (+9.6%⁵) posted robust gains, aided by resilient household spending and a strong earnings season for retailers. Utilities (+11.4%⁶) also delivered double-digit gains, with the sector's performance largely driven by strong results and corporate developments at Origin Energy.

By contrast, Energy (-1.0%⁷) underperformed, dragged lower by the collapse of a takeover bid for Santos, which weighed on the broader sector. Health Care (-9.7%⁸) was another notable laggard, pressured by weakness in CSL and broader sector headwinds after the Trump administration announced 100% tariffs on imported pharmaceutical products. Consumer Staples (-1.4%⁹) also fell, with the decline led by Woolworths after its softer-than-expected results.

Financials ex-REITs managed a modest 1.3%¹⁰ gain, with most of the major banks contributing positively. Commonwealth Bank was the notable exception, underperforming on valuation grounds after a strong run earlier in the year. Technology shares also delivered a muted return (+2.2%¹¹), with gains constrained by weakness in sector heavyweights WiseTech and Xero, which offset broader strength in the smaller end of the sector.

From a style perspective, Value outperformed Growth in the quarter (+8.8%¹² vs -3.9%¹³), largely reflecting the outsized strength in commodity and resource-linked names.

Portfolio Commentary

The Implemented Responsible Investment (RI) Australian Share Portfolio underperformed its benchmark on a net-of-fees basis in the third quarter.

Alphinity underperformed its benchmark over Q3. Nearly all their underperformance can be explained by their considerable underweight to the Materials sector (+21%), which was the best performing sector.

¹ As measured by the S&P/ASX 300 – Total Return index

² As measured by the S&P/ASX Small Ordinaries – Total Return index

³ Australian Bureau of Statistics (ABS), National Accounts, and Consumer Price index

⁴ As measured by the S&P/ASX 300 Materials (Sector) – Total Return index

⁵ As measured by the S&P/ASX 300 Consumer Discretionary (Sector) – Total Return index

⁶ As measured by the S&P/ASX 300 Utilities (Sector) – Total Return index

⁷ As measured by the S&P/ASX 300 Energy (Sector) – Total Return index

⁸ As measured by the S&P/ASX 300 Health Care (Sector) – Total Return index

⁹ As measured by the S&P/ASX 300 Consumer Staples (Sector) – Total Return index

¹⁰ As measured by the S&P/ASX 300 Financials ex-REITs (Sector) – Total Return index

¹¹ As measured by the S&P/ASX 300 Information Technology (Sector) – Total Return index

¹² As measured by the MSCI Australia Value – Net Return index

¹³ As measured by the MSCI Australia Growth – Net Return index

Within this sector, they weren't holding a number of mining stocks that did particularly well on the back of higher commodity prices – namely Northern Star Resources, Lynas Rare Earths, Evolution Mining, Newmont, Mineral Resources, Pilbara Minerals and Fortescue. While key contributors were BHP, Life360, NAB, HUB24 and GPT Group.

UBS manages a passive strategy designed to track the MSCI Australia Selection Index, investing in its corresponding constituents. The MSCI Australia Selection Index underperformed the fund's broader ASX 300 benchmark by 6.5% over the quarter. By far the largest detractor was the index's material overweight to CSL, which was down 17% for the period. Other detractors were James Hardie, Goodman Group, Macquarie Group, Xero and QBE Insurance. While key contributors were Northern Star Resources, Fortescue, Evolution Mining, ANZ and not holding any CBA.

Manager Insights and Outlook

Heading into the September quarter, we were cautious on the outlook for Australian shares. Valuations across many areas of the market were already elevated, and while the prospect of lower interest rates provided a supportive backdrop, expectations for policy easing had run ahead of reality. By July, markets were pricing in two additional RBA cuts by year-end, which left little margin for disappointment. Against this backdrop, we anticipated heightened volatility during reporting season and positioned the portfolio with a style-neutral stance, while maintaining a modest underweight to the larger-cap segment of the market, particularly the banks, where valuations appeared stretched.

As expected, the August reporting season was highly volatile. Earnings downgrades outpaced upgrades by roughly three to one, and the market proved hypersensitive to results that fell short. Companies that missed expectations often experienced sharp share price moves, while those that beat were rewarded only modestly. Intra-day swings were more than double the long-term average, with nearly half of companies moving by more than 5% on their results day. Despite this, the broader market pushed higher, with the S&P/ASX 300 briefly flirting with the 9,000 level for the first time.

At the same time, several factors supported sentiment. The RBA delivered its third rate cut of the year in August, while indicators such as consumer and business confidence, retail sales, and house prices showed improvement. These dynamics helped sustain risk appetite and drove strong rotation into smaller companies, which outperformed large caps by more than 10% over the quarter and by a similar margin over the year. A key driver within small caps was the sharp rally in gold miners, which now account for around 15% of the Small Ordinaries index and benefitted from higher gold prices.

From a style perspective, there was also a marked shift. Value stocks significantly outperformed growth, as more richly priced companies came under greater pressure to deliver against elevated expectations.

Looking ahead, we remain somewhat cautious. Equity markets continue to trade near record highs and at premiums relative to history. A steady flow of capital from a variety of investors, including institutional superannuation funds, offshore investors attracted by Australia's relative stability, and retail allocations into ASX-listed ETFs, has provided an important source of support for equities, even as earnings growth has been underwhelming. While these flows and improving sentiment remain supportive in the near term, we believe a correction back towards more sustainable valuation levels is a distinct possibility, particularly if macro conditions soften or inflation proves sticky.

Against this backdrop, our portfolio is structured to navigate ongoing market rotations, with a focus on valuation discipline, earnings resilience, and exposure to sectors where fundamentals support long-term returns.

More information

1800 631 381

pcresearch@perpetual.com.au

perpetual.com.au/managed

^ Fund commenced in November 2024 with performance reporting from December 2024 once the fund had made an investment.

§ Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and service mark of MSCI Inc. ("MSCI") and S&P Global Market Intelligence ("S&P") and is licensed for use by Perpetual Services Pty Limited. Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (of the results to be obtained by the use thereof), and all such parties here by expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

For additional information on GICS please visit: www.msci.com/out-solutions/indexes/gics

Perpetual Private advice and services are provided by Perpetual Trustee Company Limited (PTCo), ABN 42 000 001 007, AFSL 236643. This publication has been prepared by PTCo and Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL 234426 (as responsible entity of the Implemented Portfolio) and issued by PTCo. It contains general information only and is not intended to provide you with advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. The information is believed to be accurate at the time of compilation and is provided by PTCo in good faith. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The PDS for the Implemented Portfolio issued by PIML, should be considered before deciding whether to acquire or hold units in the Implemented Portfolio. The PDS and Target Market Determination can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. Total returns shown for the Implemented Portfolio have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance. Published in September 2025.