Perpetual Private

Fund Profile - 30 September 2026

Implemented Fixed Income Portfolio

Fund facts

APIR code	PER0710AU
Inception date	9 December 2013
Asset class	Diversified Fixed Income
Investment style	Multi manager blend
Benchmark	Fixed Income Composite Benchmark[#]
Suggested length of investment	Three years or more
Unit pricing frequency	Daily
Distribution frequency	Quarterly
Legal type	Unit trust
Product type	Wholesale Managed Investment Scheme
Status	Open
Management fee*	0.47%
Buy/Sell spread	0.24% / 0.00% as at December 2025
Issuer	Perpetual Investment Management Limited

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

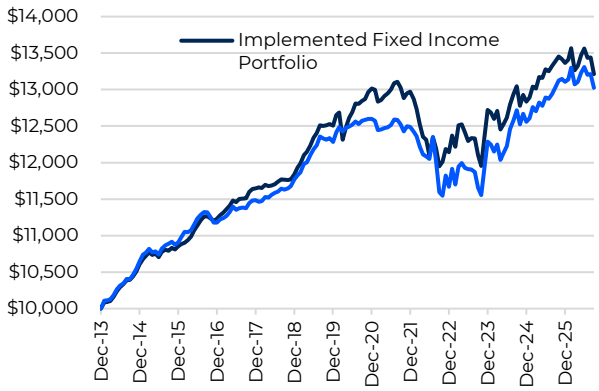
Investment objective

To provide investors with income through investment in a diversified portfolio of fixed income instruments, aiming to outperform the stated benchmark over rolling three-year periods.

Benefits

Provides investors with the potential for maximising income and capital stability, with broad market exposure.

Growth of $10,000 since inception



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

Net performance

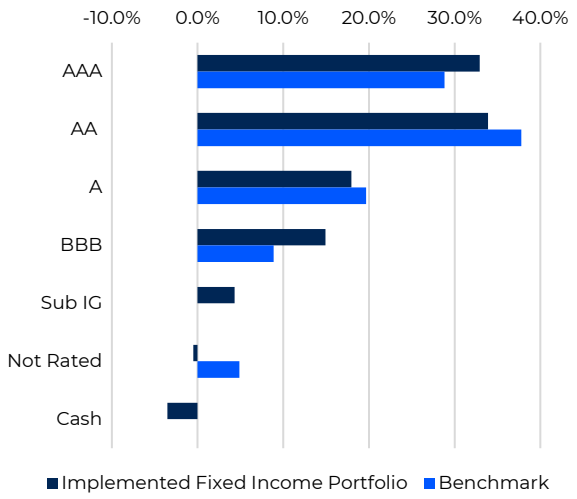
As at September 2026

Returns	1M	3M	1YR	3YR	5YR	S/I*
Total return	-1.7%	-2.6%	-1.3%	3.0%	0.3%	2.3%
Growth return	-1.8%	-2.7%	-8.0%	-0.1%	-1.7%	-0.5%
Distribution return	0.1%	0.1%	6.7%	3.1%	2.0%	2.8%
Benchmark	-1.4%	-2.1%	-0.0%	3.8%	0.8%	2.1%
Excess Return	-0.3%	-0.4%	-1.2%	-0.8%	-0.5%	0.1%

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

Ratings breakdown

As at September 2026^



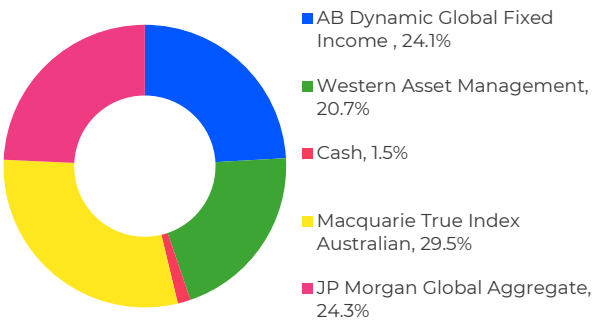
Source(s): State Street, External Manager Reports.

Exposures may appear as negative due to the use of Interest Rate Derivatives and Derivative Offsets.

^Portfolio exposures can be lagged by up to 3 months.

Portfolio exposure by manager

As at September 2026



Source(s): State Street, FactSet.

Investment approach

A multi-manager framework is utilised, where specialist investment managers are selected to form a diverse and complementary mix of investment strategies and styles. This can help reduce volatility by avoiding over exposure to a particular specialist investment manager. Derivatives may be used in managing the portfolio.

Investment strategy

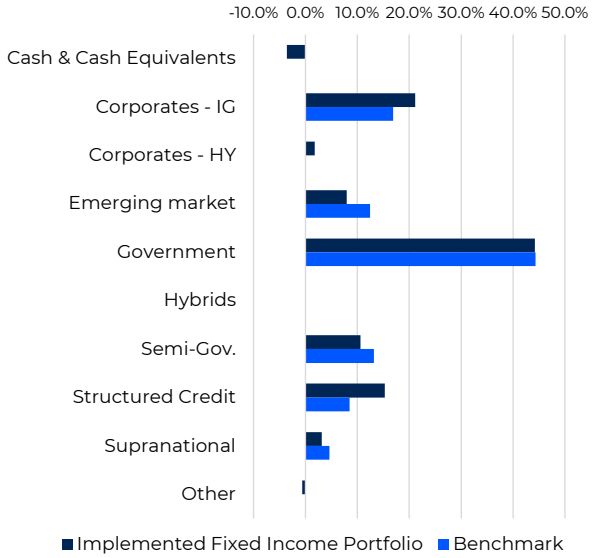
The Implemented Fixed Income Portfolio invests in both Australian and International fixed income markets, as well as diversified credit markets.

The managers within the Implemented Fixed Income Portfolio will invest across the broad spectrum of available debt instruments diversified by industry, maturity and credit rating (the majority of which will be investment grade as assigned by a recognised global ratings agency).

Their portfolios tend to be diversified across hundreds of positions both in physical securities and through the use of derivatives. The diversified nature of their portfolios aims to mitigate a large negative portfolio impact from any single position.

Sector Exposures

As at September 2026^



Source(s): State Street, External Manager Reports.

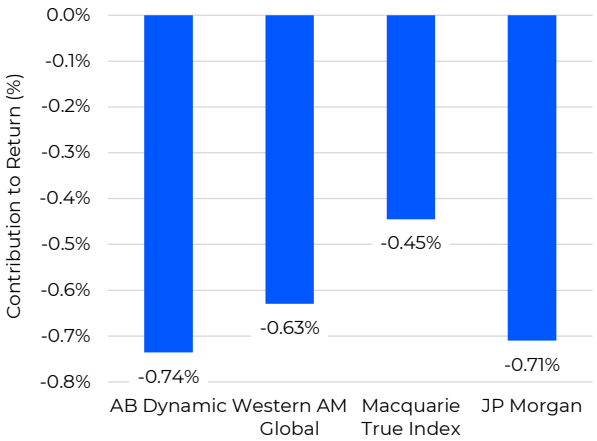
Exposures may appear as negative due to the use of Interest Rate Derivatives and Derivative Offsets.

^Portfolio exposures can be lagged by up to 3 months.

Sector exposures (including cash) are shown at a point in time and reflect a look-through to the underlying holdings of the underlying managers. Exposures may vary over time and can be influenced by manager positioning, including cash holdings.

Contribution by manager

For the quarter to September 2026



Source(s): State Street, FactSet.

Manager line-up and approach

As at September 2026

Manager	Approach
AB Dynamic Global Fixed Income Mandate	Sector rotation, relative value.
JP Morgan Global Fixed Income Mandate	Core fixed income.
Western Asset Management Global Bond Mandate	Sector rotation, relative value.
Macquarie True Index Australian Fixed Interest	Australian passive core fixed income and True indexing fund.

Market Commentary

Surging global yields eroded fixed income returns through the September quarter, with concerns over higher-for-longer inflation, ballooning fiscal deficits, and ongoing geopolitical conflict placing upward pressure along global yield curves. While energy price pressures eased through the second quarter, the absence of a lasting resolution to conflicts across the Middle East and Eastern Europe saw renewed strength in oil prices, complicating the global inflation outlook and reinforcing a tighter policy agenda for many central banks.

With another rate hike to close out the quarter at its September meeting, the RBA lifted the official cash rate to 4.6%, a full 100 basis points higher than at the beginning of the year. Against this backdrop, Australian government bonds weakened by 1.5%[1] over the period as domestic yields climbed higher. While global forces played a significant role, elevated public spending and persistent supply constraints continue to complicate the inflation outlook, with hopes for improved productive capacity increasingly resting on the successful adoption of AI. Investment Grade credit also declined modestly, down 0.7%[2], as relatively attractive spreads and outright yields cushioned losses as bond yields rose. Meanwhile, Floating-rate credit gained 1.2%[3], demonstrating the benefits of reduced duration exposure in a rising yield environment.

Many of the forces shaping domestic markets were echoed abroad, as global bond markets retraced 2.4%[4] through the quarter. In the US, buybacks of long-dated Treasuries did little to alleviate pressure at the long end of the yield curve. A widening fiscal deficit and increased government debt issuance lifted funding requirements, while hyperscaler borrowing and AI infrastructure investment competed for the same pool of investor capital. Compounding these pressures was the gradual withdrawal of traditional sovereign debt buyers, alongside uncertainty surrounding Japanese capital flows amid the ongoing carry-trade unwind. Together these factors pushed term premium higher and contributed to a 3.4%[5] decline across the broader US bond market.

Corporates were also weak, particularly through September as rate expectations shifted. Global Investment Grade credit lost 3.0%[6], while the shorter-duration High Yield segment fell by 2.0%[7]. The relative outperformance of high yield suggested duration, rather than corporate fundamentals, remained the primary headwind for credit markets during the quarter, though the higher-rate environment continued to expose vulnerabilities across more leveraged and illiquid segments of private credit.

Portfolio Commentary

The Implemented Fixed Income Portfolio underperformed its benchmark over the September 2026 quarter. The Fund's 30% exposure to the Australian Fixed Income market returned -1.54% for the quarter, outperforming the Fund's 70% exposure to the Global Fixed Income market, which returned -2.99%.

Macquarie True Index Australian Fixed Index Fund returned -1.54% for the quarter, in line with the Australian Bond Composite All Maturities Benchmark. Australian Bonds outperformed global bonds for the period.

JP Morgan Global Bond Mandate returned -2.92% for the quarter ending September 2026. Although it was not immune from the broader rates sell-off, its underweight position to Mortgage-backed securities and structured product provided some protection against developed-market duration and the underperformance of credit.

[1] As measured by the Bloomberg AusBond Composite (0+Y) index
[2] As measured by the Bloomberg AusBond Credit (0+Y) index
[3] As measured by the Bloomberg AusBond Credit FRN (0+Y) index
[4] As measured by the Bloomberg Global Aggregate (AUD hedged) index
[5] As measured by the Bloomberg US Aggregate (AUD hedged) index
[6] As measured by the ICE BofA Global Corporate (AUD hedged) index
[7] As measured by the Bloomberg Global High Yield (AUD Hedged) index

Alliance Bernstein Global Plus Mandate returned -3.05%, lagging the Bloomberg Global Aggregate (Hedged) Benchmark by 63 basis points. Long developed-market duration and an overweight to structured credit dampened returns. Additionally, Agency MBS weakened as higher mortgage rates slowed refinancing and extended expected lives which increased duration at the wrong time.

Western Asset Management Global Bond Mandate returned -3.05% for the quarter ending September 2026, underperforming the Bloomberg Global Aggregate (Hedged) Benchmark by 63 basis points. The relative weakness was attributable to long duration positioning across developed markets, including core Europe, the UK and Australia. An overweight position in AUD and Yen helped offset the losses.

Manager Insights and Outlook

The same driving market factors have been recurring for some time now with slight variations. Inflation is high and sticky. Energy prices are a concern. Credit spreads are tight. This consistency saves us effort on identifying these structural components, but is not so great for positions which are long duration. It is however, surprisingly good for credit markets, relatively speaking.

There has been a lot of press about the US 30-year Treasury yield reaching levels not seen for decades, affecting anyone who uses it as a reference rate, including prospective homeowners in the United States. The US 30-year Treasury yield approached 5.4% during the quarter, near the highest levels seen since before the Global Financial Crisis in 2007/08.

Our Fixed Income funds are benchmark focused, meaning we're generally more affected by moves in the 5 and 10-year parts of the curve. By quarter-end, the US 10-year Treasury yield had risen to approximately 5.3%, while the Australian 10-year Commonwealth Government Bond yield had reached approximately 5.25%.

The moves are attributable to the market’s view on inflation and growth. You could blame the rising yields on several things, including, but definitely not limited to rising energy prices and rising labour costs. Some of these might be short lived but we’re not counting on it. The moral of the story is that inflation is a thing again and with it, more historically ‘normal’ bond yields.

In 2008, markets had more than a bit of a shake-up. The Federal Reserve, European Central Bank, Bank of England and Reserve Bank of Australia all moved towards what they described as highly accommodative monetary policy settings. In the United States, policy rates ultimately fell to effectively 0%-0.25%, while Australia eventually reached a cash rate of 0.10%. Central banks did not pursue these policies because economic conditions were strong. The RBA later described the subsequent increase in rates as a process of "normalising monetary conditions”.

Having super-low interest rates is not a sign of a healthy economy, regardless of what politicians, equity strategists or property spruikers might tell you. The fact that those settings persisted for more than a decade does not make them normal. It may simply mean the emergency lasted longer than widely understood.

If that's true, then today's bond yields may be closer to the long-term baseline than many investors appreciate.

More information

1800 631 381
pcresearch@perpetual.com.au
perpetual.com.au/managed-accounts

#Effective from 8th December 2025, the Fixed Income Composite benchmark comprises:

- Bloomberg Global Aggregate Bond Index (AUD Hedged) and,
- Bloomberg Ausbond Composite 0+ YR Index.

The composite benchmark reflects the Portfolio's target allocation at any time to the various asset types. Please refer to the Product Disclosure Statement for further details.

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 situations 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 return 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 October 2026.

Perpetual