



**Perpetual Select Super Plan**  
Member Outcomes Assessment  
Financial Year Ending 30 June 2022

## Dear Members of the Perpetual Select Super Plan (the Plan)

We are pleased to present the Member Outcomes Assessment for the year ended 30 June 2022. This report provides a comprehensive overview of the Plan's performance, including reviews of investment returns and risks, fees and costs, and other assessment factors.

Our aim is to provide you with clear and relevant information to help you understand how your investment in the Plan has performed over the past year, and how this performance aligns with your retirement goals.

At Perpetual Superannuation Limited (PSL), our purpose is the enduring prosperity for the lifetime of our members. With the Perpetual Select Super Plan this purpose is expressed in the active multi-manager investment approach. Perpetual chooses specialist investment managers, combining their different styles, philosophies, approaches and techniques, with the aim of enhancing diversification and producing smoother, more consistent returns. Our aim is to give you the confidence and peace of mind that your retirement savings are well taken care of.

We value your membership and are committed to ensuring that the Plan continues to deliver strong outcomes for our members. We encourage you to take the time to read this report and to contact us if you have any questions or would like further information.

Thank you for your continued support.

**Janet Torney – Chair, Perpetual Superannuation Limited**

Perpetual Superannuation Limited  
ABN 84 008 416 831 AFSL 225246 RSE L0003315

### Contact details

Phone 1800 003 001  
Mail Perpetual Select Super Plan  
GPO Box 4171  
Sydney NSW 2001  
Website [www.perpetual.com.au](http://www.perpetual.com.au)  
Email [investments@perpetual.com.au](mailto:investments@perpetual.com.au)



Perpetual

## Investment Strategy, Returns and Risk

In the financial year ending 30 June 2022, actions taken by central banks to curb inflation, such as raising interest rates, led to volatile market conditions. This led to declines in asset values, including for traditionally more stable investments such as fixed income.

The performance comparisons shows that the investment options have generally underperformed relative to peers, but at a lower level of risk. The Plan's investment strategy has always emphasised a focus on risk management and preserving capital.

The historical underperformance is largely due to historical fee structures. Over the year we have taken steps to address this by implementing fee decreases across most investment options, which will positively impact future investment returns. In the last year, we have generally seen an improvement in relative performance.

While our investment options may have underperformed in terms of relative returns, they have performed in line with expectations in terms of risk-adjusted returns. By taking a measured approach to risk, the Plan has been able to provide members with more stable and consistent investment returns.

Moving forward, our investment team will continue to monitor market conditions and adjust our investment strategy as needed to ensure that we are providing members with the best possible outcomes in terms of returns and risk.

### 30 June 2022 - Investment returns and risk

	Investment Returns				Investment Risk <sup>1</sup>			
	1Y%	3Y%	5Y%	10Y%	1Y%	3Y%	5Y%	10Y%
Capital Stable (20-40) – Median	-3.3	1.7	3.1	4.7	3.1	4.4	3.7	3.0
Conservative	-4.9	1.3	2.4	3.8	3.6	4.8	4.0	3.3
Conservative Balanced (41-59) - Median	-3.8	2.7	4.2	6.3	4.6	6.2	5.4	4.4
Diversified	-4.8	2.0	3.1	4.8	4.8	5.9	4.9	4.6
Balanced (60-76) - Median	-3.8	4.1	5.8	8.0	5.9	8.4	7.1	6.1
Balanced	-5.2	2.8	4.1	6.2	5.4	7.4	6.3	5.5
Growth (77-90)	-5.4	4.5	6.4	9.1	7.7	10.5	9.1	7.3
Growth	-5.2	3.5	4.9	7.2	6.1	8.8	7.5	6.5
High Growth (91-100) - Median	-6.9	4.6	6.6	10.0	8.6	12.3	10.3	9.1
High Growth	-5.0	4.1	5.6	8.1	7.1	10.3	8.8	7.5
Cash - Median	0.2	0.4	1.0	1.6	0.1	0.1	0.2	0.3
Cash	0.0	-0.1	0.1	0.3	0.1	0.1	0.1	0.1
Australian Shares - Median	-4.8	4.3	6.9	9.2	12.6	16.6	13.8	12.2
Australian Shares	-4.9	3.6	4.9	7.6	10.5	15.6	12.9	11.1
Limited Share	0.6	5.5	6.2	8.8	10.2	19.3	15.7	13.3
International Shares - Median	-9.0	6.0	7.5	11.2	10.1	11.1	10.5	9.9
International Shares	-12.1	5.3	7.9	10.5	8.5	10.2	10.1	9.4

source: SuperRatings' Super Fund Crediting Rate Survey (June 2022), All Products – generated on 26/09/2022

Investment Return	1 <sup>st</sup> quartile	2 <sup>nd</sup> quartile	3 <sup>rd</sup> quartile	4 <sup>th</sup> quartile
Investment Risk	1 <sup>st</sup> quartile	2 <sup>nd</sup> quartile	3 <sup>rd</sup> quartile	4 <sup>th</sup> quartile

<sup>1</sup> Standard deviation is a commonly used measure of investment risk. A higher standard deviation represents a higher volatility in returns which indicates a higher degree of risk or uncertainty in outcomes. A lower standard deviation indicates a more predictable or stable outcome.

## Fees, Costs and the Basis of Setting Fees

At PSL, we're committed to providing value to our members. During the year ending 30 June 2022, we continued to review our fee structure to ensure that it is fair and transparent. This led to a lowering of fees from 1 March 2022.

### Administration Fees

Our administration fees are designed to cover the costs of running the Plan, including the management of member accounts, processing transactions, and providing member support. During the year, administration fees were generally lowered to 0.10% p.a., well below the median administration fee charged by peers.

### Investment Management Fees

The investment management fees cover the costs of managing the investments, including the management of the portfolio, research, and trading. The fee comparison shows that combined administration and investment fees are above market medians for the multi-asset class options and below market medians for the single asset class options.

Exposure to alternative assets in the multi-asset class options contributed to the higher than average fees. Investing in alternative assets can result in higher fees because they are often managed by specialist investment managers and involve more complex and customised investment strategies. However, alternative assets can lower the overall risk of a portfolio because they often have low correlations with traditional investments. This diversification can help to reduce the volatility of a portfolio and provide a more stable return over time.

### 30 June 2022 - Administration and investment fees

	Admin fee		Admin + Investment fee	
	\$50k	\$100k	\$50k	\$100k
Capital Stable (20-40) – Median	0.39%	0.33%	0.94%	0.88%
Conservative	0.10%	0.10%	1.01%	1.01%
Conservative Balanced (41-59) -	0.39%	0.33%	1.01%	0.95%
Diversified	0.10%	0.10%	1.12%	1.12%
Balanced (60-76) - Median	0.39%	0.33%	1.05%	0.99%
Balanced	0.10%	0.10%	1.18%	1.18%
Growth (77-90) - Median	0.39%	0.33%	1.08%	1.02%
Growth	0.10%	0.10%	1.24%	1.24%
High Growth (91-100) - Median	0.39%	0.33%	1.19%	1.13%
High Growth	0.10%	0.10%	1.33%	1.33%
Cash – Median	0.39%	0.33%	0.46%	0.40%
Cash	0.10%	0.10%	0.10%	0.10%
Australian Shares - Median	0.39%	0.33%	1.16%	1.10%
Australian Share	0.10%	0.10%	1.07%	1.07%
Limited Share	0.10%	0.10%	0.91%	0.91%
International Shares - Median	0.39%	0.33%	1.29%	1.23%
International Share	0.10%	0.10%	1.19%	1.19%

Source: Perpetual derived from SuperRatings' Fee Survey and Investment Survey<sup>2</sup>

Fees	1 <sup>st</sup> quartile	2 <sup>nd</sup> quartile	3 <sup>rd</sup> quartile	4 <sup>th</sup> quartile
------	--------------------------	--------------------------	--------------------------	--------------------------

<sup>2</sup> Perpetual sourced data on administration fees from SuperRatings' Super Fee Survey (30 June 2022) and data on investment fees from SuperRatings' Super Investment Survey (30 June 2022), Choice Products, excluding passively managed options. The median values were calculated by Perpetual.

## Assessment Factors

### Options, benefits and facilities

#### Member Services

At PSL, one of our primary goals is to provide exceptional service to our members. Over the year ending 30 June 2022, we continued to make significant investments in our technology, processes, and people to enhance the member experience.

#### Online Services

We have continued to invest in our online platform to make it even more user-friendly and accessible to members. Our online platform now provides a wide range of functionality, including account balance and transaction history, contribution options, investment choice changes, and statement access. Member satisfaction with our online services continues to improve over prior years.

#### Member Support

Our dedicated member support team is available to answer any questions and assist with any queries. For members who contacted us by phone or email over the year, satisfaction with the service provided remains high with an average rating of 8.6 out of 10.<sup>3</sup>

### Insurance strategy and premiums

At PSL, we understand the importance of providing our members with access to insurance cover. During the year ended 30 June 2022, we have continued to review our insurance strategy to ensure that it is tailored to meet the needs of our members.

#### Insurance Options

We offer a range of insurance options to our members, including life insurance, total and permanent disability (TPD) insurance, and income protection insurance. Members have the option to tailor their insurance cover to meet their specific needs and budget.

#### Insurance Premiums

The insurance premiums are determined based on the type and level of cover selected by the member, as well as their age, gender and smoker status. The insurance premiums charged are driven by the claims experience of the Plan. Overall, premiums are broadly in line with the market.

For members that have been provided cover automatically, our guiding principle is that the cost of cover should be no more than 1% of average salaries. Our insurance premiums on automatic cover is below this threshold.

#### Claims Experience

Of the claims for which a decision was reached during the year, 75% were approved. We review each declined claim to ensure that a fair and reasonable decision was made by the insurer.

All claims' handling activity was completed within service levels agreed with the insurer. We have continued to review and refine our claims processes to ensure that they are efficient and fair.

---

<sup>3</sup> Satisfaction is measured across all clients contacting the Contact Centre. This includes other products in addition to the Plan.

## Overall size and scale of operations

Members of the Plan benefit by PSL being part of the broader Perpetual Group. Perpetual is a global diversified financial services business managing \$90.1 billion in AUM (as at 30 June 2022). This provides sufficient scale to negotiate favourable rates with market leading service providers and to attract and retain key staff members.

The Plan continues to operate in a way which is both sustainable and focussed on delivering good member outcomes. Being part of the Perpetual Group provides the Plan with access to world-class investment management capability backed by institutional standard administration and support services.

## Promoting the financial interests of members

Each year we assess whether we have promoted the financial interests of members by completing the comparisons and assessments summarised in this Member Outcomes Assessment.

## Important note

This information has been prepared by Perpetual Superannuation Limited ABN 84 008 416 831 (PSL), AFSL 225246, RSE L0003315 (as trustee for Perpetual Select Superannuation Fund RSE R1057034, ABN 51 068 260 563). It is general information only and is not intended to provide you with financial 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. 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 product disclosure statement (PDS) for the Perpetual Select Super Plan, issued by PSL, should be considered before deciding whether to acquire or maintain an interest in the Fund. The PDS can be obtained by calling 1800 022 033 or visiting our website [www.perpetual.com.au](http://www.perpetual.com.au).

No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. Past performance is not indicative of future performance.

Net returns shown have been calculated net of fees, costs and tax deducted from the Plan. It does not include any fees or costs deducted directly from members' accounts. No allowance has been made for any investment fee rebate for Super Plan members, if applicable.

Our commitment to providing high-quality services and products to our members remains strong, and we will continue to strive for excellence in all areas of our operations. Investment performance relative to peers is improving and fee reductions were implemented during the year.

This year we have determined that we have promoted the financial interests of members. We would like to thank our members for their continued trust in us and for choosing the Perpetual Select Super Plan as their preferred superannuation fund. We look forward to serving our members in the future and will continue to work hard to provide the best outcomes for our members.