

A MULTI ASSET STRATEGY DESIGNED FOR A SMOOTHER INVESTMENT JOURNEY

FUND BENEFITS



REAL PERFORMANCE AND SAFETY

Because the Fund is focused on managing overall volatility, we aim to provide a smooth and consistent sequence of returns for investors. Our approach seeks to lower risk and protect capital.



ADAPT TO CHANGE QUICKLY

We focus on using the broadest set of investment opportunities. This means that our asset allocation is always changing, aiming to capture the best returns and to minimise the risk of loss.



FLEXIBILITY ACROSS THE RANGE

The Fund can invest in some harder to access investment opportunities, such as unlisted property, private equity, infrastructure, frontier markets and commodities strategies; as well as traditional assets.



SPECIALIST EXPERTISE

A highly agile and active asset allocation approach requires skill, experience and discipline. The Perpetual Multi Asset team has an average of 21 years' judgement and experience, applied day in, day out, on behalf of our investors.

The Perpetual Diversified Real Return Fund is a sleek and powerful all-terrain investment vehicle, designed for investors looking for a smoother investment journey without sacrificing returns.



With an unwavering focus on delivering positive returns of 5% pa above the rate of inflation*, the Fund combines a diverse set of investment opportunities and unparalleled funds management expertise.

The Fund aims to achieve this return with lower levels of volatility than a traditional balanced fund. Diversifying the sources of risk to form a more efficient multi asset portfolio and seeking to reduce the uncertainty of investment outcomes over the investment horizon while protecting returns against inflation.

We apply a dynamic asset allocation approach to managing the Fund, which means that we are not constrained by fixed asset allocation ranges. Instead, we have the flexibility to actively shift investment exposures to capture the best opportunities – wherever they are found.

The Fund can completely exit an asset class if the level of risk does not

align with our focus on lower volatility, efficiently reducing the uncertainty of investment outcomes and protecting returns against inflation over time.

HOW DOES THE PERPETUAL DIVERSIFIED REAL RETURN FUND FIT INTO A WELL- BALANCED PORTFOLIO?

The Perpetual Diversified Real Return Fund has been designed for those seeking a more regular profile of returns, providing protection against inflation and volatility without having to sacrifice growth. With a greater diversity of investment opportunities, the Fund could suit investors with a little or a lot to invest.

Depending on their personal preferences, investors can choose between two different fee options:

- a **fixed fee** unit class (**Class W**)
- a **variable performance fee** unit class (**Class Z**) .

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*Over rolling five-year periods, before fees and taxes.

With a fixed base management fee of 0.85% pa, **Class W** is designed for investors seeking certainty of the fees they pay throughout the economic cycle.

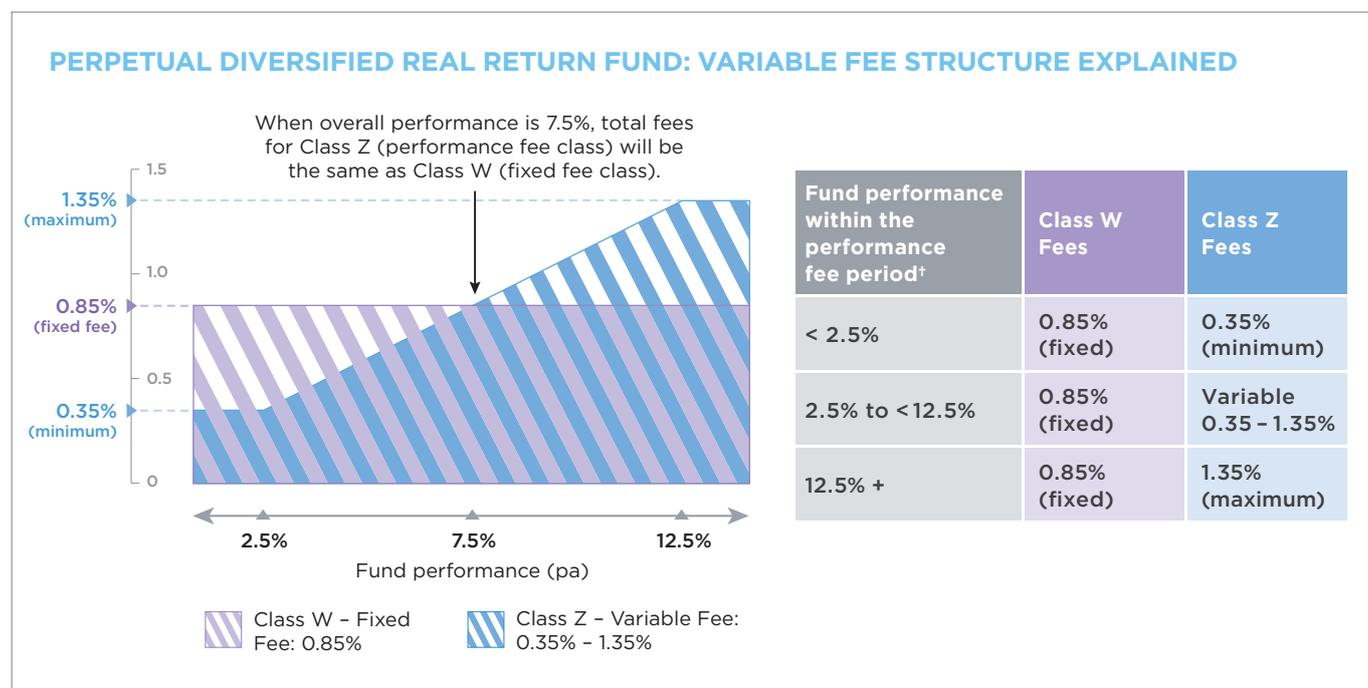
Class Z is aimed to suit those who want to ensure their investment manager is aligned with the Fund's investment outcomes. It features a lower base management fee of 0.35% pa with a performance fee of 10% of any performance above the performance hurdle. Because the Reserve Bank of Australia targets an inflation rate between 2% and 3%, the performance hurdle has been set in the middle, at 2.5%. The performance fee is calculated each business day and is based on the performance of the Fund after management fees and expenses have been deducted.

The performance fee is capped at 1%, meaning the most an investor may pay is 1.35% within the performance fee period.[†] This occurs for fund performance levels of 12.5% and above.

The diagram below highlights the difference between Class W and Class Z. It demonstrates how the investment manager's performance is aligned.

When performance is below 7.5%, the overall fee of the performance fee option will be below the fixed fee option and when performance is above 7.5%, it will be higher than the fixed fee option. Performance under the 2.5% performance hurdle from previous years will carry over and must be made up before performance fees can accrue in any new period.

For further details on the Fund's two investment options, and the calculation of the performance fee, please refer to the Perpetual Wholesale Funds PDS.



For more information about the Perpetual Diversified Real Return Fund, visit perpetual.com.au or contact the team on 1800 062 725.

[†]Performance fee period: 1 July to 30 June each year.

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Total returns shown for the Perpetual Diversified Real Return Fund 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. 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.

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MORE INFORMATION

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