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# Perpetual WealthFocus

Investment Book

**INVESTMENT BOOK  
DATED 1 OCTOBER 2022**

Issued by Perpetual Investment Management Limited  
ABN 18 000 866 535 AFSL 234426

Issued by Perpetual Superannuation Limited  
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Perpetual 

## Important notes

### Perpetual WealthFocus Investment Advantage

This Investment Book is issued by Perpetual Investment Management Limited for Perpetual WealthFocus Investment Advantage.

The information in this document forms part of and should be read in conjunction with Product Disclosure Statement issue number 10 dated 1 October 2022 for Perpetual WealthFocus Investment Advantage (including the current Features Book).

It contains important additional information about:

- how the Fund works (distribution frequencies and dates)
- how we invest your money.

We may update this document where we can according to the Fund's constitution and the law. The updated document will be available at our website and you can also obtain a copy free of charge upon request. You should keep a copy of this document and any updates to it for your reference.

### Perpetual WealthFocus Super Plan

### Perpetual WealthFocus Pension Plan

This Investment Book is issued by Perpetual Superannuation Limited for Perpetual WealthFocus Super Plan and Perpetual WealthFocus Pension Plan and forms Part 2 of:

- Product Disclosure Statement issue number 14 dated 1 October 2022 for Perpetual WealthFocus Super Plan
- Product Disclosure Statement issue number 14 dated 1 October 2022 for Perpetual WealthFocus Pension Plan.

You should read this Investment Book carefully together with the PDS Part 1 Features Book for the relevant product before making a decision to invest. If you haven't received both parts of the PDS, please contact us (see inside back cover for contact details).

A reference in this document to 'we', 'our' and 'us' is a reference to each of Perpetual Investment Management Limited as issuer of interests in Perpetual WealthFocus Advantage and to Perpetual Superannuation Limited as trustee of Perpetual WealthFocus Super Plan and Perpetual WealthFocus Pension Plan

### General

All terms used in this Investment Book have the same meaning as in the:

- Product Disclosure Statement and Features Book for Perpetual WealthFocus Investment Advantage
- Product Disclosure Statement Part 1 Features Book for Perpetual WealthFocus Super Plan
- Product Disclosure Statement Part 1 Features Book for Perpetual WealthFocus Pension Plan.

'PIML' in this document also refers to Perpetual Investment Management Limited as the investment manager of the underlying funds for the relevant investment options.

The information in this document is of a general nature only and does not take into account any investor's particular investment objectives, financial situation or needs. Before you invest, you should read all of the documents that form part of the PDS for the relevant product and assess whether a particular investment option is appropriate for you.

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# Main asset classes available

The main asset classes in which you can invest via WealthFocus are summarised in the following table.

## The main asset classes

Asset class	Description of investment
<b>Cash</b>	Cash investments include bank accounts, discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash generally provides a rate of return in line with short-term interest rates. <sup>1</sup>
<b>Fixed income and credit</b>	<p>Fixed income instruments are securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.</p> <p>Credit instruments are income generating securities such as corporate debt, mortgages, infrastructure debt, private debt, asset backed and debt-like hybrid securities, discount securities and sub investment grade securities that have higher credit risk and less liquidity than cash and fixed income investments.</p>
<b>Property</b>	A property investment involves buying shares that represent a portion of ownership in a property related security, buying units in a listed or unlisted property trust or buying property directly. Property investments can be in a range of sectors including commercial, industrial, residential and retail. Returns are usually generated from rental income and changes in the value of the underlying properties.
<b>Infrastructure</b>	Infrastructure involves investing by purchasing equity or debt securities in large projects that provide facilities and services needed by the community (eg transport, power, roads, telecommunications or water supply), or in other capital intensive assets (eg timberland and regional infrastructure). The return on an infrastructure equity investment generally includes capital growth (or loss) and income. Alternatively, infrastructure debt securities pay regular interest similar to that of other fixed income investments.
<b>Shares</b>	Shares represent a portion of ownership in a company. Shareholders can benefit if a company passes on some of its profits to them through dividends and/or from capital growth if the share price rises.

1 This general definition of cash may differ for various investment options – see relevant footnotes in the 'Investment option profiles' section.

# Investment options

## Summary of investment options

Asset class	Investment option	Page
Cash	Perpetual Cash	5
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	Perpetual Dynamic Fixed Income	6
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Property and infrastructure	Lazard Global Listed Infrastructure	7
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Australian shares	Ausbil Australian Active Equity	8
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Asset class	Investment option	Page
International shares	Barrow Hanley Global Share	13
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## Investment structure

All investment options invest in assets either directly or indirectly via underlying managed funds that in turn invest in various asset classes in accordance with the investment option's investment guidelines.

Where an investment option invests indirectly, the investment option mirrors the objective and investment approach of its corresponding underlying fund (see 'Asset allocations and investment performance' in the 'Additional investment information' section for further information).

## Investment option profiles

The following investment option profiles provide a summary of the investment options offered within WealthFocus.

### About the investment option profiles

The following information explains certain terms and concepts detailed in the investment option profiles.

#### Category

This indicates the type of fund and/or main asset class(s) in which the investment option predominantly invests (see the 'Main asset classes available' section for further information).

#### Investment option name

The investment option name generally reflects the name of the underlying fund into which the investment option invests.

#### Investment manager

This is the investment manager that manages the underlying fund's assets (see 'Investment managers' in the 'Additional investment information' section for further information).

#### Risk level

The risk level represents the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period, as follows.

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of the negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).

The SRMs for the investment options may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in their calculation and future changes to asset allocations. Any changes to SRMs at any time will be available at our website.

#### Suggested length of investment

This is a guide only and not a recommendation. You should discuss your investment in the investment option(s) with your financial adviser to ensure that it meets your needs.

#### Distribution frequency and dates

The distribution frequency applies to Perpetual WealthFocus Investment Advantage only and is how often the investment option usually makes a distribution. The distribution dates are the effective dates for distributions. Payment of distributions not reinvested occurs after the distribution date.

#### Objective

The objective is a summary of what the investment option aims to achieve.

#### Investment approach

This is the method or principles that the investment manager uses, either directly or indirectly, to manage the investment option to meet its objectives.

#### Investment guidelines

This provides an indication of what the investment option will invest in directly or indirectly.

#### Further information

For more details and any updated information about any of the investment options, visit our website or contact us.

### Suitability

Each investment option is designed for investors with the appropriate risk level, investment timeframe and objective, as set out in the profiles.

### Additional information

The following additional information, which forms part of each PDS, is available at our website (see the relevant PDS or PDS Part 1 Features Book, as applicable, for details) or can be obtained free of charge by contacting us:

- the commencement date for each investment option (that is, the month and year when the investment option received its first investment)
- the buy/sell spread for each investment option (see the Features Book for further information).

## Investment option profiles

Category	Cash	Fixed income and credit	Fixed income and credit
Investment option name	Perpetual Cash	Bentham Global Income	Macquarie Income Opportunities
Investment manager	Perpetual Investment Management Limited	Bentham Asset Management Pty Ltd	Macquarie Investment Management Global Limited
Risk level	2 – Low	6 – High	5 – Medium to high
Suggested length of investment	Any period	Three years	Three years
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Monthly – end of each calendar month	Monthly – end of each calendar month
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide investors with capital stability, regular income and easy access to funds by investing in deposits, money-market and fixed income securities</li> <li>outperform the Bloomberg AusBond Bank Bill Index (before fees and taxes) on an ongoing basis.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide exposure to global credit markets and to generate income with some potential for capital growth over the medium-to-long term</li> <li>outperform its composite benchmark (50% Bloomberg AusBond Composite 0+ Yr Index and 50% Bloomberg AusBond Bank Bill Index) over the suggested investment time frame.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>outperform the Bloomberg AusBond Bank Bill Index over the medium term (before fees)</li> <li>provide higher income returns than traditional cash investments at all stages of interest rate and economic cycles.</li> </ul>
Investment approach	<p>PIML aims to achieve the objective by:</p> <ul style="list-style-type: none"> <li>actively managing the portfolio with respect to the future course of interest rates</li> <li>actively managing for changes in the level of interest rates and credit margins amongst individual securities with different maturities</li> <li>diversifying the fund amongst different securities issued by various borrowers.</li> </ul>	<p>The fund is actively managed and focused on generating stable investment income by providing a diversified exposure to domestic and global credit markets while managing interest rate risk and currency risk. The fund must maintain a minimum investment of 50% in investment grade rated securities (asset rated BBB–/Baa3 or better) and limits the maximum portfolio exposure to any single issuer to 2% of the net asset value of the fund (for non-investment grade securities). It may also have up to 10% physical exposure to equity securities.</p>	<p>The fund predominantly provides exposure to a wide range of domestic and global investment grade floating and fixed rate instruments, asset-backed securities, and cash. The fund may also have opportunistic exposure to other fixed income sectors and instruments such as, high yield and emerging markets debt as well as other fixed income instruments. Interest rate risk will generally be hedged through the use of derivatives such as swaps and futures.</p> <p>The fund may be exposed to derivatives to implement its investment strategy. For example, protection may be purchased on issuers that are believed to be over-valued or at risk of downgrade. These positions increase in value when the underlying investment falls in value and decrease in value when the underlying investment rises in value.</p> <p>The portfolio is generally hedged to Australian dollars. However, any exposure to emerging markets debt issued in the local currency of the debt will generally be unhedged. Small active currency positions may also be taken when the investment manager believes that there are opportunities to add value or hedge risks in the portfolio.</p>
Investment guidelines	<p>Cash 100%</p>	<p>Australian hybrid securities 0-50%</p> <p>Global hybrids (global/Euro convertible bonds) 0-40%</p> <p>Global loans (includes syndicated loans) 0-50%</p> <p>Global high yield bonds 0-30%</p> <p>Investment grade credit (includes global corporate bonds and asset backed securities) 0-75%</p> <p>Cash 0-30%</p> <p>These ranges are based on net exposures and may vary according to hedging.</p>	<p>Investment grade 0-100%<sup>1</sup></p> <p>High yield 0-25%<sup>1</sup></p> <p>Emerging markets debt<sup>2</sup> 0-25%<sup>1</sup></p> <p>Cash 0-100%<sup>1</sup></p>

## Investment option profiles

Category	Fixed income and credit	Fixed income and credit	Fixed income and credit
Investment option name	Perpetual Diversified Income	Perpetual Dynamic Fixed Income	Schroder Fixed Income
Investment manager	Perpetual Investment Management Limited	Perpetual Investment Management Limited	Schroder Investment Management Australia Limited
Risk level	4 – Medium	4 – Medium	5 – Medium to high
Suggested length of investment	Three years or longer	Three years or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide regular income and consistent returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes) over rolling three-year periods by investing in a diverse range of income generating assets.	Aims to provide: <ul style="list-style-type: none"> <li>regular income by investing in a diverse range of income generating assets</li> <li>a positive return (before fees and taxes) over rolling three-year periods.</li> </ul>	Aims to outperform the Bloomberg AusBond Composite 0+ Yr Index after fees over the medium term.
Investment approach	The fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. PIML believes these assets provide investors with protection in times of market stress. When the environment is supportive PIML seeks to enhance returns by taking more risk whether that be in maturity, credit rating, subordination or gearing. The fund can also invest in alternative income generating securities such as mortgages, infrastructure debt and private debt. This approach to portfolio construction is PIML's preferred method to deliver investors the highest possible risk adjusted returns. Derivatives may be used in managing the fund. <sup>3</sup>	PIML aims to achieve the objective by: <ul style="list-style-type: none"> <li>investing in both Australian and international fixed income assets</li> <li>actively managing the credit risk through: <ul style="list-style-type: none"> <li>diversifying the fund among different securities issued by various borrowers</li> <li>actively managing for changes in market-wide and security-specific credit margins</li> <li>identifying and investing in relative value within the universe of credit securities</li> </ul> </li> <li>managing duration risk<sup>4</sup> considering a variety of factors, including valuations and current market conditions.</li> </ul> <p>Currency hedges may be used from time to time.</p> <p>Derivatives may be used in managing the fund.<sup>3</sup></p>	The fund is an actively managed, diversified strategy that invests in a range of domestic and international fixed income assets with the objective of outperforming the Bloomberg AusBond Composite 0+Yr Index. While the bulk of returns are expected to come from income generated by Australian investment grade assets, the strategy seeks to enhance returns and manage risk by assessing the broad range of fixed income investment opportunities through a robust asset allocation framework and accessing these opportunities through Schroders' global network. Investments within the portfolio are actively managed with the aim of ensuring the investment manager holds the right assets and securities at the right time to maximise returns while maintaining a low risk profile. The targeted result is a high quality income generating strategy which is broadly diversified with low correlation to equity markets. Any foreign currency exposure is hedged back into AUD. This practice is implemented with a tolerance range of 90%-110% for each currency. The fund currently uses forward contracts to hedge out any foreign currency exposures.
Investment guidelines	Cash and investment grade securities <sup>5</sup> 75-100% Sub-investment grade securities <sup>6</sup> and non-rated securities (includes mortgages and other private debt <sup>6</sup> ) 0-25% Gearing level (of the fund's net asset value) 0-25%	Fixed rate exposure 0-100% Floating rate exposure 0-100% Cash and investment grade securities <sup>5</sup> 75-100% Sub-investment grade securities <sup>6</sup> and non-rated securities 0-25%	Australian investment grade 20-100% Global investment grade <sup>7</sup> 0-50% Australian high yield <sup>8</sup> 0-20% Global high yield <sup>7,8</sup> 0-20% Cash 0-50%

## Investment option profiles

<b>Category</b>	Fixed income and credit	Property and infrastructure	Property and infrastructure
<b>Investment option name</b>	Vanguard Australian Fixed Interest Index	Lazard Global Listed Infrastructure	Pendal Property Securities
<b>Investment manager</b>	Vanguard Investments Australia Ltd	Lazard Asset Management Pacific Co.	Pendal Institutional Limited
<b>Risk level</b>	4 – Medium	7 – Very high	7 – Very high
<b>Suggested length of investment</b>	Three years or longer	Five years or longer	Five years or longer
<b>Distribution frequency and dates</b>	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
<b>Objective</b>	Seeks to track the return of the Bloomberg AusBond Composite 0+ Yr Index before taking into account fees, expenses and tax.	Aims to achieve total returns (comprising income and capital appreciation and before the deduction of fees and taxes) that outperform inflation, as measured by the Australian Consumer Price Index, by 5% pa over rolling five-year periods.	Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 A-REIT (Sector) (TR) Index over the medium-to-long term. There is a high risk of losing money in any year. The fund is likely to produce higher returns over the long term.
<b>Investment approach</b>	The fund invests in high-quality, income-generating securities issued by the Commonwealth Government of Australia, Australian State Government authorities and treasury corporations, as well as investment-grade corporate issuers. While being low cost, the fund also provides some protection against capital volatility.	Lazard is a valuation manager, embracing fundamental analysis to support a bottom-up stock selection style. Lazard's approach to stock selection is based on identifying companies that are trading at a discount relative to Lazard's assessment of their intrinsic value. The more attractive shares in Lazard's preferred infrastructure universe generally populate the portfolio, taking into account portfolio construction guidelines. These guidelines are designed to ensure diversification among infrastructure sectors, countries and regions as well as to avoid concentration to any one company.  Lazard will substantially hedge the foreign currency exposures in the portfolio back to the Australian dollar.	The fund invests in the Pendal Property Securities Fund which is an actively managed portfolio of property securities designed for investors who want the potential for long term capital growth and income, diversification across a broad range of primarily Australian property securities and are prepared to accept higher variability of returns. The fund invests in property securities including listed property trusts, developers and infrastructure investments.  The fund invests primarily in Australia but at times it may have some overseas exposure. Up to 15% of the fund can be invested in international listed property securities. Up to 5% may also be invested in unlisted property investments. The fund may also hold cash and may use derivatives.  The fund may have assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the fund. The fund's foreign currency exposure will generally be fully hedged back to the Australian dollar to the extent considered reasonably practicable.
<b>Investment guidelines</b>	Australian fixed interest 100%	Infrastructure securities 95-100% Cash 0-5%	Property investments 80-100% Cash 0-20%

## Investment option profiles

<b>Category</b>	Property and infrastructure	Australian shares	Australian shares
<b>Investment option name</b>	Vanguard Australian Property Securities Index	Ausbil Australian Active Equity	Ausbil Australian Emerging Leaders
<b>Investment manager</b>	Vanguard Investments Australia Ltd	Ausbil Investment Management Limited	Ausbil Investment Management Limited
<b>Risk level</b>	6 – High	6 – High	6 – High
<b>Suggested length of investment</b>	Seven years	Five years or longer	Five years or longer
<b>Distribution frequency and dates</b>	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
<b>Objective</b>	Seeks to track the return of the S&P/ASX 300 A-REIT Index before taking into account fees, expenses and tax.	Aims to outperform the S&P/ASX 300 Accumulation Index per annum over rolling three-year periods with moderate tax-effective income by investing in a portfolio of listed Australian equities that are generally chosen from the S&P/ASX 300 Index.	Aims to outperform per annum over rolling three-year periods a composite benchmark comprising the S&P/ASX Midcap 50 Accumulation Index (70%) and S&P/ASX Small Ordinaries Accumulation Index (30%). The fund invests in a portfolio of listed Australian equities that are primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index. The fund invests in small to medium cap stocks which possess potential for superior growth.
<b>Investment approach</b>	The fund provides a low-cost way to invest in property securities listed on the Australian Securities Exchange. The property sectors in which the fund invests include retail, office, industrial and diversified. The fund offers potential long-term capital growth and tax-effective income that may include a tax-deferred component.	The broad investment philosophy is that active management of portfolios facilitates consistent and risk controlled outperformance. Rather than focus only on growth or value investing, the investment processes allow the investment manager to exploit the inefficiencies across the entire market, at all stages of the cycle and across all market conditions.	The broad investment philosophy is that active management of portfolios facilitates consistent and risk controlled outperformance. Rather than focus only on growth or value investing, the investment processes allow the investment manager to exploit the inefficiencies across the entire market, at all stages of the cycle and across all market conditions.
<b>Investment guidelines</b>	Australian property securities 100%	Australian shares 90-100% Cash 0-10%	Australian shares 90-100% Cash 0-10%

## Investment option profiles

<b>Category</b>	Australian shares		Australian shares		Australian shares	
<b>Investment option name</b>	Fidelity Australian Equities		Investors Mutual Australian Share		Pendal Australian Equity	
<b>Investment manager</b>	FIL Investment Management (Australia) Limited		Investors Mutual Limited		Pendal Institutional Limited	
<b>Risk level</b>	6 – High		6 – High		6 – High	
<b>Suggested length of investment</b>	Five years or longer		Four to five years		Five years or longer	
<b>Distribution frequency and dates</b>	Quarterly – 31 March, 30 June, 30 September and 31 December		Half-yearly – 30 June and 31 December		Quarterly – 31 March, 30 June, 30 September and 31 December	
<b>Objective</b>	Aims to achieve returns in excess of the S&P/ASX 200 Accumulation Index over the medium to long term.		Aims to provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the benchmark S&P/ASX300 Accumulation Index on a rolling four-year basis.		Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 (TR) Index over the medium-to-long term. There is a high risk of losing money in any year. The fund is likely to produce higher returns over the long term.	
<b>Investment approach</b>	<p>Fidelity seeks out stocks that it believes are undervalued and likely to generate growth.</p> <p>The companies selected for the portfolio must demonstrate good management, strong competitive advantages and enjoy favourable industry dynamics.</p>		<p>The fund will invest in a diversified portfolio of quality ASX listed Australian and New Zealand industrial and resource shares, where these shares are identified by their investment team as being undervalued.</p>		<p>The fund invests in the Pendal Australian Equity Fund which is an actively managed portfolio of Australian shares designed for investors who want the potential for long term capital growth, tax effective income and diversification across a broad range of Australian companies and industries, and are prepared to accept higher variability of returns. The fund may also hold cash and may use derivatives.</p>	
<b>Investment guidelines</b>	Australian securities	90-100%	Australian shares	90-100%	Australian equities	80-100%
	Cash or cash equivalents	0-10%	Cash	0-10%	Cash	0-20%

## Investment option profiles

Category	Australian shares	Australian shares	Australian shares
<b>Investment option name</b>	Perpetual Australian Share	Perpetual Concentrated Equity	Perpetual ESG Australian Share
<b>Investment manager</b>	Perpetual Investment Management Limited	Perpetual Investment Management Limited	Perpetual Investment Management Limited
<b>Risk level</b>	6 – High	6 – High	6 – High
<b>Suggested length of investment</b>	Five years or longer	Five years or longer	Five years or longer
<b>Distribution frequency and dates</b>	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
<b>Objective</b>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and regular income through investment predominantly in quality Australian industrial and resource shares</li> <li>outperform the S&amp;P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and income through investment predominantly in quality Australian industrial and resource shares</li> <li>outperform the S&amp;P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and regular income through investment predominantly in quality Australian shares that meet PIML's ESG and values-based criteria</li> <li>outperform the S&amp;P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>
<b>Investment approach</b>	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>The fund may have up to 20% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>Derivatives may be used in managing the fund.<sup>10</sup></p>	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>The fund may have up to 20% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>The fund's investment portfolio will typically consist of between 20 and 45 stocks.</p> <p>Derivatives may be used in managing the fund.<sup>10</sup></p>	<p>PIML seeks to invest in companies that represent the best investment quality, are appropriately priced and meet PIML's ESG and values-based criteria.</p> <p>Investment quality is determined based on four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>For more details on PIML's ESG and values-based criteria see 'Environmental, social, governance and ethical factors' in the 'Additional investment information' section.</p> <p>The fund may have up to 20% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>Derivatives may be used in managing the fund.<sup>10 11</sup></p>
<b>Investment guidelines</b>	<p>Australian shares<sup>9</sup> 90-100%</p> <p>Cash 0-10%</p>	<p>Australian shares<sup>9</sup> 90-100%</p> <p>Cash 0-10%</p>	<p>Australian shares<sup>9</sup> 90-100%</p> <p>Cash 0-10%</p>

## Investment option profiles

Category	Australian shares	Australian shares	Australian shares
<b>Investment option name</b>	Perpetual Geared Australian	Perpetual Industrial Share	Perpetual SHARE-PLUS Long-Short
<b>Investment manager</b>	Perpetual Investment Management Limited	Perpetual Investment Management Limited	Perpetual Investment Management Limited
<b>Risk level</b>	7 – Very high	6 – High	6 – High
<b>Suggested length of investment</b>	Seven years or longer	Five years or longer	Five years or longer
<b>Distribution frequency and dates</b>	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December
<b>Objective</b>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>enhance long-term capital growth through borrowing (gearing) to invest predominantly in quality Australian industrial and resource shares</li> <li>outperform the S&amp;P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and regular income through investment predominantly in quality Australian industrial shares</li> <li>outperform the S&amp;P/ASX 300 Industrials Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and income through investment in quality shares and taking short positions predominantly in selected Australian shares<sup>9</sup></li> <li>outperform the S&amp;P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>
<b>Investment approach</b>	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>The gearing level of the fund must be kept within pre-determined guidelines. Within these, PIML aims to ensure that the gearing level is maximised, subject to the cost of borrowing being adequately covered by net income.</p> <p>The fund may have up to 20% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>Derivatives may be used in managing the fund, including for gearing purposes.<sup>10</sup></p>	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>The fund may have up to 10% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>Derivatives may be used in managing the fund.<sup>10</sup></p>	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>In addition, PIML aims to take short positions predominantly in Australian shares<sup>9</sup> that it believes will fall in value. The short positions are determined based on each stock's expected returns and the investment constraints (designed to reduce the risks associated with taking short positions).</p> <p>The fund may have up to 20% exposure to investments in international shares where PIML believe there are opportunities that may enhance returns.<sup>9</sup></p> <p>The fund may have up to 10% exposure to short positions in international shares.<sup>12</sup></p> <p>Derivatives may be used in managing the fund.<sup>10</sup></p>
<b>Investment guidelines</b>	<p>Australian shares<sup>9</sup> 90-100%</p> <p>Cash 0-10%</p> <p>Gearing level<sup>13</sup> 0-60%</p>	<p>Industrial shares<sup>9</sup> 90-100%</p> <p>Cash 0-10%</p>	<p>Australian shares<sup>9</sup> 90-125%</p> <p>Short positions<sup>12</sup> 0-25%</p> <p>Australian shares<sup>9</sup> (net)<sup>12</sup> 65-100%</p> <p>Cash 0-35%</p>

## Investment option profiles

Category	Australian shares		Australian shares	Australian shares
Investment option name	Perpetual Smaller Companies		Schroder Australian Equity	Vanguard Australian Shares Index
Investment manager	Perpetual Investment Management Limited		Schroder Investment Management Australia Limited	Vanguard Investments Australia Ltd
Risk level	6 – High		6 – High	6 – High
Suggested length of investment	Five years or longer		Three years or longer	Seven years
Distribution frequency and dates	Half-yearly – 30 June and 31 December		Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and income through investment in quality Australian industrial and resource shares which, when first acquired, do not rank in the S&amp;P/ASX 50 Index</li> <li>outperform the S&amp;P/ASX Small Ordinaries Accumulation Index (before fees and taxes) over rolling three-year periods.</li> </ul>		Aims to outperform the S&P/ASX 200 Accumulation Index over rolling three-to-five-year periods by investing in a broad range of companies from Australia and New Zealand.	Seeks to track the return of the S&P/ASX 300 Index before taking into account fees, expenses and tax.
Investment approach	<p>PIML researches companies of all sizes using consistent share selection criteria. PIML's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> <li>conservative debt levels</li> <li>sound management</li> <li>quality business and</li> <li>recurring earnings.</li> </ul> <p>Derivatives may be used in managing the fund.<sup>10</sup></p>		<p>Schroders is a bottom-up, fundamental, active manager of Australian equities, with an emphasis on stocks that are able to grow shareholder value in the long term. The investment process focuses on the long-term quality of the business and the average returns achieved through a full business cycle, not the near-term earnings momentum. This long-term focus normally results in a relatively low momentum bias in either direction as the process is largely ambivalent to short-term earnings direction.</p> <p>The portfolio seeks to provide economically diversified exposure to a range of listed businesses in Australia/New Zealand. The portfolio is structured on a relatively diversified basis rather than unduly concentrating. This is a necessarily subjective choice. The investment manager believes in structuring a portfolio which favours longer holding periods (lower portfolio turnover and better tax efficiency) and provides resilience against variability in macroeconomic conditions. Interest rates, inflation, indebtedness, government policy and a range of other variables impact businesses differently and are inherently difficult to forecast. Diversification across businesses with differing economic exposures offers protection against this variability.</p>	The fund provides low costs, broadly diversified exposure to Australian companies and property trusts listed on the Australian Securities Exchange. It also offers potential long-term capital growth along with dividend income and franking credits.
Investment guidelines	Australian smaller company shares <sup>14</sup>	80-100%	Australian and New Zealand shares	95-100%
	Cash	0-20%	Cash	0-5%
			Australian shares	100%

## Investment option profiles

Category	International shares	International shares	International shares
<b>Investment option name</b>	Barrow Hanley Global Share	Magellan Global	MFS Global Equity
<b>Investment manager</b>	Barrow, Hanley, Mewhinney & Strauss, LLC	Magellan Asset Management Limited	MFS International Australia Pty Ltd
<b>Risk level</b>	7 – Very high	7 – Very high	7 – Very high
<b>Suggested length of investment</b>	Seven years or longer	Seven to ten years	Five years or longer
<b>Distribution frequency and dates</b>	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Yearly – 30 June
<b>Objective</b>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth through investment in quality global shares</li> <li>outperform the MSCI World Net Total Return Index (AUD) (before fees and taxes) over rolling three-year periods.</li> </ul>	<p>Aims to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.</p> <p>A further aim is to deliver 9% p.a. net of fees over the economic cycle.</p>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>seek capital appreciation over the longer term by investing in a diversified portfolio of global shares</li> <li>outperform its benchmark (MSCI World Index (with net dividends reinvested before fees) over a full market cycle, before taking into account fees, taxes and expenses.</li> </ul>
<b>Investment approach</b>	<p>The investment manager strives to achieve the above objectives by adopting a value-oriented, bottom-up investment process focused on in-depth fundamental research to identify companies that trade below their intrinsic value for reasons that they can identify, believe are temporary and have a clearly identified path to achieving fair value.</p> <p>The investment manager aims to select the most attractive securities to construct a well-diversified, high active share portfolio that provides asymmetrical returns by participating in up markets while protecting in down markets. The portfolio will exhibit a clear value bias and seek characteristics such as:</p> <ul style="list-style-type: none"> <li>price/earnings ratios below the market</li> <li>price/book ratios below the market</li> <li>enterprise value/free cash flow ratios below the market</li> <li>dividend yields above the market.</li> </ul> <p>The fund will primarily invest in companies incorporated in developed markets and may hold up to 20% of the portfolio in companies incorporated in emerging markets.</p> <p>The portfolio has no direct tobacco stock exposure.</p> <p>The currency exposure in the fund is unhedged.</p>	<p>The investment manager aims to invest in companies that have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. The investment manager endeavours to acquire these companies at discounts to their assessed intrinsic value. The fund's portfolio will comprise 20 to 40 investments. The investment manager believes such a portfolio will achieve sufficient diversification to ensure the fund is not overly correlated to a single company, or to industry specific or macroeconomic risks.</p> <p>It is not the investment manager's intention to hedge the foreign currency exposure of the fund arising from investments in overseas markets.</p>	<p>In selecting investments, MFS is not constrained by any particular investment style. MFS may invest the assets in the stocks of companies it believes to have above average earnings growth potential compared to other companies (growth companies), companies it believes are undervalued compared to their perceived worth (value companies), or in a combination of growth and value companies. MFS uses an active bottom-up investment approach to buying and selling investments. Investments are selected primarily based on fundamental analysis of individual issuers and their potential in light of their financial condition, and market, economic, political, and regulatory conditions. Factors considered may include analysis of an issuer's earnings, cash flows, competitive position, and management ability.</p>
<b>Investment guidelines</b>	<p>Global shares<sup>15</sup> 95-100%</p> <p>Cash<sup>16</sup> 0-5%</p>	<p>Equities 80-100%</p> <p>Cash 0-20%</p>	<p>International shares 90-100%</p> <p>Cash and cash equivalentents 0-10%</p>

## Investment option profiles

Category	International shares	International shares	International shares
Investment option name	Perpetual Global Allocation Alpha	Perpetual Global Innovation Share	Platinum Asia
Investment manager	Perpetual Investment Management Limited	Perpetual Investment Management Limited	Platinum Investment Management Limited
Risk level	6 – High	7 – Very high	7 – Very high
Suggested length of investment	Five years or longer	Seven years or longer	Five years or longer
Distribution frequency and dates	Yearly – 30 June	Half-yearly – 30 June and 31 December	Yearly – 30 June
Objective	Aims to achieve long-term capital growth and outperform the MSCI World ex Australia Net Total Return Index (AUD) with lower risk (before fees and taxes) over rolling three-year periods.	Aims to: <ul style="list-style-type: none"> <li>provide long-term capital growth through investment in global shares that are benefiting from changes in technology and innovation</li> <li>outperform the MSCI All Countries World Net Total Return Index (AUD) (before fees and taxes) over rolling three-year periods.</li> </ul>	Aims to provide capital growth, where measured over at least five years, by investing in undervalued companies in the Asia region excluding Japan.
Investment approach	<p>The fund predominantly invests in global equities. It may utilise other securities to seek to minimise downside risk while maintaining participation in positive markets. This may include exposure to other asset classes, such as fixed income, credit, and commodities via derivatives and synthetic exposures.</p> <p>The combination of assets held by the fund at any time are those which the investment manager believes provide the greatest probability of achieving the investment objective over rolling three-year periods.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency.</p> <p>Derivatives may be used in managing each asset class including to increase exposure within the investment guidelines. No money will be borrowed for investment purposes. Uncovered derivative positions are not permitted.<sup>17</sup></p>	<p>PIML aims to achieve the above objectives by adopting a ‘bottom-up’ stock selection approach to investing, where the decision to buy or sell is based on a fundamental valuation of stocks, with an emphasis on the potential returns a company can generate.</p> <p>The portfolio manager believes that changes in technology and innovation can have a significant impact on the future earnings and valuation of companies, and that by focusing on understanding new changes in technology and innovation this can lead to the early identification of companies with growth potential. Technology and innovation may include artificial intelligence, e-commerce, digitalisation and automation.</p> <p>The portfolio is constructed within a framework that is independent of the benchmark in terms of stock and sector weights and therefore the fund's returns may vary significantly from the benchmark's return. Added value is expected to come from the portfolio manager's high conviction approach to stock selection.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management can be used with the aim of protecting the value of the fund's assets.</p> <p>Derivatives may be used in managing the fund.<sup>11</sup></p> <p>Global shares include convertible notes, which are short-term debt securities that convert into equity.</p> <p>The fund's investment strategy will typically consist of between 20 and 60 stocks.</p>	<p>The fund primarily invests in the listed securities of Asian companies. The fund will ideally consist of 40 to 100 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The fund will typically have 50% or more net equity exposure. Platinum manages risk associated with currency exposure through the use of hedging devices (eg foreign exchange forwards, swaps, non-deliverable forwards and currency options) and cash foreign exchange trades.</p>
Investment guidelines	Global shares <sup>18</sup> 70-120% Cash 0-30%	Global shares <sup>19</sup> 75-100% Cash 0-25%	International equities <sup>20</sup> 0-100% Cash and cash equivalent investments <sup>21</sup> 0-100%

## Investment option profiles

Category	International shares	International shares	International shares
<b>Investment option name</b>	Platinum International	T. Rowe Price Global Equity	Vanguard International Shares Index
<b>Investment manager</b>	Platinum Investment Management Limited	T. Rowe Price Australia Limited	Vanguard Investments Australia Ltd
<b>Risk level</b>	7 – Very high	7 – Very high	6 – High
<b>Suggested length of investment</b>	Five years or longer	Five to seven years or longer	Seven years or longer
<b>Distribution frequency and dates</b>	Yearly – 30 June	Yearly – 30 June	Quarterly – 31 March, 30 June, 30 September and 31 December
<b>Objective</b>	Aims to provide capital growth, where measured over at least five years, by investing in undervalued companies from around the world.	Aims to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed on recognised exchanges and/or markets throughout the world. The portfolio may include investments in the securities of companies traded, listed or due to be listed on recognised exchanges and/or markets of developing countries. The fund's benchmark is the MSCI All Country World Index ex-Australia (unhedged).	Seeks to track the return of the MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax.
<b>Investment approach</b>	The fund primarily invests in listed securities. The fund will ideally consist of 70 to 140 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The fund will typically have 50% or more net equity exposure. Platinum manages risk associated with currency exposure through the use of hedging devices (eg foreign exchange forwards, swaps, non-deliverable forwards and currency options) and cash foreign exchange trades.	T. Rowe Price leverages the proprietary fundamental research and analysis performed by the organisation's integrated worldwide network of more than 100 equity investment professionals to identify highly recommended companies.  T. Rowe Price engages equity investment professionals to identify superior investment ideas, assess opportunities in a global sector context, overlay macroeconomic and local market factors to refine industry and company analysis, and select what they believe to be investments with the most attractive risk-reward characteristics. The portfolio manager applies judgment to construct a focused global portfolio consisting of the highest conviction investment ideas, typically a minimum of 130 holdings, within a diversified framework of country, sector and company guidelines.  The fund's foreign currency exposures may be hedged up to 10% of the net asset value of the fund. These hedges will not be made against the Australian dollar but rather will generally be made against the US dollar. The portfolio manager does not anticipate hedging to be a permanent feature of the fund nor view currency as a primary source of generating returns.	The fund provides exposure to many of the world's largest companies listed in major developed countries. It offers low-cost access to a broadly diversified range of securities that allows investors to participate in the long-term growth potential of international economies outside Australia. The fund is exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.
<b>Investment guidelines</b>	International equities <sup>20</sup> 0-100% Cash and cash equivalent investments <sup>21</sup> 0-100%	Global equities 90-100% Cash 0-10%	International shares 100%

## Investment option profiles

<b>Category</b>	International shares	Diversified - conservative	Diversified – conservative																																								
<b>Investment option name</b>	Vanguard International Shares Index (Hedged)	BlackRock Diversified ESG Stable	Perpetual Conservative Growth																																								
<b>Investment manager</b>	Vanguard Investments Australia Ltd	BlackRock Investment Management (Australia) Limited	Perpetual Investment Management Limited																																								
<b>Risk level</b>	6 – High	5 – Medium to high <sup>22</sup>	4 – Medium <sup>22</sup>																																								
<b>Suggested length of investment</b>	Seven years or longer	Five years or longer	Three years or longer																																								
<b>Distribution frequency and dates</b>	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																																								
<b>Objective</b>	Seeks to track the return of the MSCI World ex-Australia (with net dividends reinvested) hedged into Australian dollars Index before taking into account fees, expenses and tax.	Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark, comprising a portfolio of published indices approximately 70% of which represent interest bearing assets and 30% of which represent growth assets, before fees over rolling three-year periods.	Aims to: <ul style="list-style-type: none"> <li>provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities</li> <li>outperform the All Groups CPI + 3.5% pa (before fees and taxes) over at least two-year periods</li> <li>outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.</li> </ul>																																								
<b>Investment approach</b>	The fund provides exposure to many of the world’s largest companies listed in major developed countries. It offers low-cost access to a broadly diversified range of securities that allows investors to participate in the long-term growth potential of international economies outside Australia. The fund is hedged to Australian dollars so the value of the fund is relatively unaffected by currency fluctuations.	BlackRock invests in various asset classes by investing in other managed investment schemes including those managed by BlackRock or other entities within the BlackRock Group. The fund invests across a range of active and passive investment strategies to construct the portfolio’s strategic asset allocation. Each active strategy utilises a disciplined approach to investing that aims to add value over the strategic allocation and control for risk. The fund also: <ul style="list-style-type: none"> <li>integrates environmental, social and governance (ESG) considerations into the investment process</li> <li>screens out certain ESG sensitive sectors, including but not limited to tobacco, controversial weapons and nuclear weapons on a fund-wide level.</li> </ul>	The fund invests in a diverse mix of growth, defensive and other assets, with a focus on cash and fixed income securities. <p>Tactical asset allocation strategies may be applied, which involves the fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.<sup>3, 10</sup></p>																																								
<b>Investment guidelines</b>	International shares	100%	<table border="0"> <tr> <td>Australian equities</td> <td>11%</td> <td>Australian shares<sup>24</sup></td> <td>0-25%</td> </tr> <tr> <td>International equities</td> <td>8%</td> <td>International shares<sup>24</sup></td> <td>0-20%</td> </tr> <tr> <td>Emerging market equities</td> <td>5%</td> <td>Property</td> <td>0-10%</td> </tr> <tr> <td>Australian fixed interest</td> <td>22%</td> <td>Fixed income and credit<sup>25</sup></td> <td>15-65%</td> </tr> <tr> <td>International fixed interest</td> <td>20%</td> <td>Cash</td> <td>5-55%</td> </tr> <tr> <td>Global listed infrastructure</td> <td>5%</td> <td>Other assets<sup>26</sup></td> <td>0-30%</td> </tr> <tr> <td>Global real estate (REITs)</td> <td>3%</td> <td></td> <td></td> </tr> <tr> <td>Gold</td> <td>3%</td> <td></td> <td></td> </tr> <tr> <td>Cash<sup>23</sup></td> <td>23%</td> <td></td> <td></td> </tr> <tr> <td>(Foreign currency exposure</td> <td>16%)</td> <td></td> <td></td> </tr> </table>	Australian equities	11%	Australian shares <sup>24</sup>	0-25%	International equities	8%	International shares <sup>24</sup>	0-20%	Emerging market equities	5%	Property	0-10%	Australian fixed interest	22%	Fixed income and credit <sup>25</sup>	15-65%	International fixed interest	20%	Cash	5-55%	Global listed infrastructure	5%	Other assets <sup>26</sup>	0-30%	Global real estate (REITs)	3%			Gold	3%			Cash <sup>23</sup>	23%			(Foreign currency exposure	16%)		
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## Investment option profiles

Category	Diversified – balanced	Diversified – balanced	Diversified – growth																																														
<b>Investment option name</b>	Perpetual Diversified Growth	Perpetual Diversified Real Return	BlackRock Diversified ESG Growth																																														
<b>Investment manager</b>	Perpetual Investment Management Limited	Perpetual Investment Management Limited	BlackRock Investment Management (Australia) Limited																																														
<b>Risk level</b>	6 – High	5 – Medium to high	6 – High																																														
<b>Suggested length of investment</b>	Three years or longer	Five years or longer	Five years or longer																																														
<b>Distribution frequency and dates</b>	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																																														
<b>Objective</b>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and income through investment in a diversified portfolio of growth and income assets</li> <li>outperform the All Groups CPI + 4.5% pa (before fees and taxes) over at least three-year periods</li> <li>outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.</li> </ul>	<p>Aims to target a pre-tax return of 5% per annum above inflation<sup>27</sup>. (before fees and taxes) over rolling five-year periods, while minimising downside risk.</p>	<p>Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark, comprising a portfolio of published indices approximately 30% of which represent interest bearing assets and 70% of which represent growth assets, before fees over rolling three-year periods.</p>																																														
<b>Investment approach</b>	<p>The fund invests in a diverse mix of growth, defensive and other assets. Tactical asset allocation strategies may be applied, which involves the fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.<sup>3, 10</sup></p>	<p>The fund will invest in a diversified range of asset classes. The combination of assets held by the fund at any time are those which PIML believes provide the greatest probability of achieving the target return over rolling five-year periods. PIML may adjust the fund's asset allocation to respond to changing market conditions and/or to take advantage of new opportunities.</p> <p>In managing the fund to meet its investment objective, the fund may implement a considerable amount of its exposures via derivatives, and may include alternative and private market assets.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the fund.</p> <p>Investment in illiquid assets<sup>28</sup> will be limited to 18% of the net asset value of the fund.</p>	<p>BlackRock invests in various asset classes by investing in other managed investment schemes including those managed by BlackRock or other entities within the BlackRock Group. The fund invests across a range of active and passive investment strategies to construct the portfolio's strategic asset allocation. Each active strategy utilises a disciplined approach to investing that aims to add value over the strategic allocation and control for risk. The fund also:</p> <ul style="list-style-type: none"> <li>integrates environmental, social and governance (ESG) considerations into the investment process</li> <li>screens out certain ESG sensitive sectors, including but not limited to tobacco, controversial weapons and nuclear weapons on a fund-wide level.</li> </ul>																																														
<b>Investment guidelines</b>	<table border="1"> <tr> <td>Australian shares<sup>24</sup></td> <td>10-35%</td> </tr> <tr> <td>International shares<sup>24</sup></td> <td>10-30%</td> </tr> <tr> <td>Property</td> <td>0-15%</td> </tr> <tr> <td>Fixed income and credit<sup>29</sup></td> <td>10-55%</td> </tr> <tr> <td>Cash</td> <td>0-30%</td> </tr> <tr> <td>Other assets<sup>30</sup></td> <td>0-30%</td> </tr> </table>	Australian shares <sup>24</sup>	10-35%	International shares <sup>24</sup>	10-30%	Property	0-15%	Fixed income and credit <sup>29</sup>	10-55%	Cash	0-30%	Other assets <sup>30</sup>	0-30%	<table border="1"> <tr> <td>Australian shares<sup>31</sup></td> <td>0-50%</td> </tr> <tr> <td>International shares<sup>31</sup></td> <td>0-50%</td> </tr> <tr> <td>Property</td> <td>0-15%</td> </tr> <tr> <td>Fixed income and credit<sup>25</sup></td> <td>0-100%</td> </tr> <tr> <td>Commodities<sup>32</sup></td> <td>0-15%</td> </tr> <tr> <td>Other investments<sup>33</sup></td> <td>0-30%</td> </tr> <tr> <td>Cash</td> <td>0-100%</td> </tr> </table>	Australian shares <sup>31</sup>	0-50%	International shares <sup>31</sup>	0-50%	Property	0-15%	Fixed income and credit <sup>25</sup>	0-100%	Commodities <sup>32</sup>	0-15%	Other investments <sup>33</sup>	0-30%	Cash	0-100%	<table border="1"> <tr> <td>Australian equities</td> <td>24.0%</td> </tr> <tr> <td>International equities</td> <td>27.5%</td> </tr> <tr> <td>Emerging market equities</td> <td>7.5%</td> </tr> <tr> <td>Australian fixed interest</td> <td>11.0%</td> </tr> <tr> <td>International fixed interest</td> <td>11.0%</td> </tr> <tr> <td>Global listed infrastructure</td> <td>5.0%</td> </tr> <tr> <td>Global real estate (REITs)</td> <td>5.0%</td> </tr> <tr> <td>Gold</td> <td>6.0%</td> </tr> <tr> <td>Cash<sup>23</sup></td> <td>3.0%</td> </tr> <tr> <td>(Foreign currency exposure</td> <td>33.5%)</td> </tr> </table>	Australian equities	24.0%	International equities	27.5%	Emerging market equities	7.5%	Australian fixed interest	11.0%	International fixed interest	11.0%	Global listed infrastructure	5.0%	Global real estate (REITs)	5.0%	Gold	6.0%	Cash <sup>23</sup>	3.0%	(Foreign currency exposure	33.5%)
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## Investment option profiles

Category	Diversified - growth	Diversified - growth	Diversified - growth																																														
<b>Investment option name</b>	BlackRock Tactical Growth	Morningstar Growth Real Return	Perpetual Balanced Growth																																														
<b>Investment manager</b>	BlackRock Investment Management (Australia) Limited	Morningstar Investment Management Australia Limited	Perpetual Investment Management Limited																																														
<b>Risk level</b>	6 – High	6 – High	6 – High																																														
<b>Suggested length of investment</b>	Five years or longer	Seven years or longer	Five years or longer																																														
<b>Distribution frequency and dates</b>	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																																														
<b>Objective</b>	<p>Aims to outperform peer performance consistent with a growth-orientated investment strategy encompassing:</p> <ul style="list-style-type: none"> <li>a broadly diversified exposure to Australian and international assets</li> <li>active asset allocation, security selection and risk management</li> <li>flexibility to deviate meaningfully from the strategic asset allocation to help manage total portfolio risk</li> </ul> <p>The fund aims to outperform a composite benchmark (before fees) reflecting its allocation to the various asset types over a five-year rolling period.</p>	<p>Aims to earn a rate of return that exceeds CPI increases by at least 3.5% pa over rolling seven-year periods.<sup>34</sup></p>	<p>Aims to:</p> <ul style="list-style-type: none"> <li>provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments</li> <li>outperform the All Groups CPI + 5.0% pa (before fees and taxes) over at least five-year periods</li> <li>outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.</li> </ul>																																														
<b>Investment approach</b>	<p>The fund aims to provide investors with a diversified exposure to the best investment teams and strategies that the BlackRock Group has globally within the context of an Australian based 'growth' investment portfolio.</p>	<p>An actively managed multi-asset fund with a long term average exposure of around 70% to growth assets such as shares, property and infrastructure and around 30% exposure to defensive assets such as cash and fixed interest. The fund will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The fund aims to deliver real returns whilst preserving capital over the targeted investment horizon. For select asset classes, Morningstar hedges out the exposure to currency in order to reduce the impact of exchange rate volatility on returns.</p>	<p>The fund invests in a diverse mix of growth, defensive and other assets, with a focus on Australian and international shares.</p> <p>Tactical asset allocation strategies may be applied, which involves the fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.<sup>3,10</sup></p>																																														
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## Investment option profiles

<b>Category</b>	Diversified - growth																
<b>Investment option name</b>	Schroder Sustainable Growth																
<b>Investment manager</b>	Schroder Investment Management Australia Limited																
<b>Risk level</b>	6 – High																
<b>Suggested length of investment</b>	Three years or longer																
<b>Distribution frequency and dates</b>	Half-yearly – 30 June and 31 December																
<b>Objective</b>	Aims to deliver an investment return of 5% pa above Australian inflation over rolling three-year periods. Inflation is defined as the Reserve Bank of Australia's Trimmed Mean, as published by the Australian Bureau of Statistics.																
<b>Investment approach</b>	The fund is a sustainable investment strategy which adopts a traditional multi-asset investment approach. The fund has a growth-biased strategic asset allocation formulated with Schrodgers' proprietary medium term asset class return projections and risk expectations which includes climate change adjustments in the individual asset class risk and return forecasts. A multi-faceted risk management framework is incorporated in the decision making process to manage volatility and mitigate inherent downside risks within the fund.																
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## Footnotes to investment option profiles

- 1 The ranges are indicative only. The fund will be rebalanced within a reasonable period of time should the exposure move outside these ranges. Investments in these sectors may include but are not limited to domestic and global fixed and floating rate instruments issued by banks, corporates, governments, asset-backed securities such as residential mortgage backed securities, bank loans and other credit related securities. The fund may also have some exposure to hybrid securities as well as funds managed by a member of the Macquarie Group or by external managers (including exchange traded funds).
- 2 May include holdings of sub-investment grade instruments.
- 3 The use of derivatives may include, but is not limited to, managing actual and anticipated interest rate and credit risk, currency and credit exposure. They may also be used for hedging, arbitrage, as a replacement for trading a physical security and for managing the duration of the fund.
- 4 Interest rate duration is a measure, expressed as a number of years, of the sensitivity of the principal value of a fixed income investment to a change in interest rates. Generally, the closer duration is to zero the less interest rate risk there is in the fund.
- 5 Investment grade is a term given to securities that have a high probability of payment of interest and repayment of principal and are generally considered to be investments with a rating of BBB- or above.
- 6 Sub-investment grade is a term given to securities where there is a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise and are generally considered to be investments with a rating below BBB-. The fund typically invests in investment grade securities, but the investment manager may increase sub-investment grade exposure under favourable economic conditions. Sub-investment grade securities may include, but are not limited to, hybrids, mortgages, mezzanine mortgages and private debt.
- 7 Maximum aggregate global exposure will not exceed 50%.
- 8 Maximum aggregate exposure to high yield will not exceed 20%.
- 9 The underlying fund invests predominantly in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 20% exposure (or 10% exposure in the case of the underlying fund for the Perpetual Industrial Share investment option) to international shares listed on or proposed to be listed on any recognised global exchange. The underlying fund may also invest in Australian or international shares proposed to be listed within six months on any such recognised exchange, limited to 10% of the underlying fund's net asset value. Currency hedges may be used from time to time.
- 10 The use of derivatives may include, but is not limited to:
  - adjusting currency exposure (where appropriate)
  - hedging selected shares or securities against adverse movements in market prices
  - gaining exposure to relevant indices
  - gaining short-term exposure to the market
  - building positions in selected companies or issuers of securities as a short-term strategy to be reversed as the physical positions are built up
  - generating additional income
  - creating a short exposure to a stock for underlying funds authorised to take net negative positions.
- 11 The fund's exposure to derivatives is limited to 10% of the fund's net asset value except in exceptional circumstances. Derivatives used to manage foreign exchange risk are excluded from this limit.
- 12 The net market exposure is the value of the underlying fund's long positions minus the value of its short positions. The underlying fund predominantly holds short positions in Australian shares but may have up to 10% exposure to short positions in international shares.
- 13 The gearing level is the underlying fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the underlying fund's net income (income after fees and expenses and excluding franking credits) and the cost of borrowings. The underlying fund has a gearing range of 0-60%, with the typical target level within this range being between 50-60%. This target is only an indication of the targeted gearing level of the underlying fund. Actual gearing levels of the underlying fund may differ. If the underlying fund's gearing level exceeds 60% (due to withdrawals or negative market movements), PIML will reduce the gearing level to 60% (or lower) within a reasonable period of time by repaying part of the borrowings through inflows or selling some of the underlying fund's assets.
- 14 The underlying fund may invest in shares listed on or proposed to be listed on any recognised Australian exchange.
- 15 The fund invests predominantly in shares listed on any recognised global exchange. The fund may also invest in shares proposed to be listed within six months on any such recognised exchange, limited to 10% of the fund's net asset value.
- 16 Cash may be held in Australian dollars (AUD) or foreign currencies.
- 17 A covered position means there are underlying assets that are held that are equivalent to cash, or can be readily converted into cash, in the amount of each derivative.
- 18 The fund uses derivatives to manage equity risk and achieve its investment objective. These derivatives may include exposure to other asset classes, such as fixed income, credit and commodities for risk management purposes.
- 19 The fund invests predominantly in international shares listed on any recognised global exchange. The fund may also invest in international shares proposed to be listed within six months on any such recognised exchange, limited to 10% of the fund's net asset value.
- 20 The fund may invest in bullion and other physical commodities, but the total value of such investments at the time of acquisition will not exceed 20% of the NAV of the fund.
- 21 Cash and cash equivalent investments may be held in Australian dollars (AUD) or foreign currencies and typically represents less than 40% of the fund's NAV.
- 22 Irrespective of the underlying fund name, Perpetual advises that this investment option has a Standard Risk Measure risk band rating above 3. For risk band 4, it has been estimated that the relevant investment options may have 2 to less than 3 negative annual returns over any 20-year period. For risk band 5, it has been estimated that the relevant investment options may have 3 to less than 4 negative annual returns over any 20-year period.
- 23 The cash allocation may include exposure to underlying funds through which active asset allocations are made. Capital allocation to cash may include cash, cash equivalents (including other BlackRock managed investment schemes) and allocation to investment strategies that have a cash benchmark, which may be used to implement security selection and active asset allocation views.
- 24 The investment option may gain its exposure to Australian shares by investing in one or more underlying Australian share funds. Where the investment option invests in Perpetual Australian Share Fund, that underlying fund invests predominantly in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 20% exposure to international shares listed on or proposed to be listed on any recognised global exchange. The investment guidelines showing the investment option's maximum investment in international shares do not include this potential additional exposure. Underlying Australian share funds may use short positions as part of their investment strategy. Currency hedges may be used from time to time.
- 25 This investment option may invest in fixed income funds that allow gearing.
- 26 PIML may allocate up to 30% of the portfolio to other assets, which may include but is not limited to, infrastructure, mortgages (including mezzanine mortgages), private equity, opportunistic property, absolute return funds, commodities and real return strategies. Exposure to other assets aims to enhance the investment options's diversification and may help reduce volatility.
- 27 Inflation is defined as the quarterly All Groups Consumer Price Index (CPI), as measured and published by the Australian Bureau of Statistics.
- 28 Illiquid assets are defined as assets that have no readily available secondary market and are not marketable securities. Units in unlisted funds are considered illiquid where underlying assets meet that definition.
- 29 This investment option may invest in fixed income funds that allow gearing.
- 30 PIML may allocate up to 30% of the portfolio to other assets, which may include, but is not limited to, infrastructure, mortgages (including mezzanine mortgages), private equity, opportunistic property, absolute return funds, commodities and real return strategies. Exposure to other assets aims to enhance the investment option's diversification and may help reduce volatility.
- 31 International shares may include some exposure to Australian shares and vice versa. The combined exposure to Australian and international shares is subject to a maximum of 70%.

- 32 Commodities are raw materials or primary agricultural products such as precious metals, oil and natural gas, and wheat.
- 33 Other investments may include, but are not limited to, hedge fund replication strategies, insurance-linked strategies, specialist credit, structured products and private market investments.
- 34 Investment objective is expressed before the management fee, expense recoveries and taxation (that is, performance is measured relative to the benchmark before fees and costs and taxes are deducted).
- 35 Combined hedged and unhedged international equity exposure into one asset class. Retained long-term average hedge ratio of 50%.

# Additional investment information

## Investment managers

The investment manager in the 'Investment option profiles' section is the investment manager of the underlying fund as at the issue date of this Investment Book. We review the investment managers regularly and may replace them at any time. We will advise you in writing if this affects you.

As a result, the investment managers may vary during the life of this Investment Book. Details about the current investment managers at any time are available at our website or can be obtained free of charge by phoning us.

## Use of derivatives

A derivative is a financial instrument that usually derives its value from the price of a physical security or market index. Derivatives include, but are not limited to, futures, options, swaps and forward foreign exchange contracts.

Derivatives may be used to varying degrees by the investment managers in the management of their underlying investment funds for a range of investment activities including, but not limited to, the following purposes:

- managing investment risk and volatility of a stock, security or market
- managing actual and anticipated interest rate risk and credit exposure
- managing currency risk and adjusting currency exposure
- achieving asset exposures without buying or selling the underlying securities
- creating short exposure to a stock, security or market where permitted
- generating additional income
- adding to the gearing levels of relevant underlying investment funds' portfolios
- managing strategic and tactical asset allocation strategies
- taking advantage of price differences (known as arbitrage).

Derivatives may also be used for broader purposes to increase returns. Please refer to the 'Investment option profiles' section for further details.

Investing in derivatives can expose an investment option to additional risks. Please refer to 'Derivatives risk' within the 'Significant risks' table in the PDS for more information.

## Environmental, social, governance (ESG) and ethical factors

Underlying investment managers for the investment options have their own policies regarding their method for considering environment, social (including labour standards) and governance (ESG) factors which may influence the purchase, sale or retention of an individual investment.

We consider these policies when choosing investment managers only to the extent that they may have an effect on an investment manager's style and investment performance. We don't consider these factors by attempting to apply ethical standards, but rather we look to ensure that managers maintain an investment framework that will take all relevant factors into account when assessing the current and potential future value of individual investments. We will neither choose nor exclude a manager solely on their ESG policies/practices but it will contribute to our overall assessment of a manager's style and capability.

### **Where PIML acts as the investment manager to the investment options**

PIML believes that the relevance of ESG issues to the performance of investment products has become more apparent. PIML recognise the growing expectation that companies conduct themselves responsibly and sustainably. PIML has a long-standing commitment to responsible investing; and in 2009 became a signatory to the United Nations supported Principles for Responsible Investment (PRI).

PIML's investment philosophy acknowledges that while traditional financial measures are an important consideration, ESG matters can also influence investment performance. PIML incorporate an assessment of ESG factors (including labour standards) in the investment analysis and the decision to select, retain or sell an investment, where those considerations are determined by the portfolio managers as a factor that may impact the current or future financial performance of the investment.

PIML have a process to integrate ESG factors into the active investment capabilities across equities, fixed income and credit. This process considers:

- what ESG factors the investment is exposed to and whether any of these factors present risks to the investment's current or future financial performance
- what impact ESG factors are likely to have on the investment's prospects; and
- how well ESG factors are being managed by the company, and therefore how likely the possible impacts are to occur.

PIML use the following tools and processes to integrate ESG:

- Australian equities – an ESG integration tool called the 'ESG Workbook' which draws together both internal and external research using qualitative and quantitative data to highlight a company's ESG risks and issues. This

tool provides the portfolio manager with information to assess as part of the investment decision-making process whether these factors may have an impact on the current or future financial performance of the company. Examples of ESG related information captured in the tool include the company's environmental policy, worker health and safety policy and corporate governance.

- Perpetual Global Innovation Share investment option – the Portfolio Manager reviews ESG data and internal and external research to highlight a company's ESG risks and issues. An assessment is made on those risks and issues that are likely to impact a company's future earnings and valuation when making investment decisions. The research focuses on governance issues such as board composition and shareholder rights, social issues such as human capital development and environmental considerations such as carbon emissions.
- Fixed income credit – our ESG risk scoring process, which includes internal and external research on an issuer's approach to managing ESG factors and the issuer's revenue sources, allows credit analysts to assess as part of their credit research on each corporate issuer, the ESG risks of that issuer and whether the issuer has any controls or measures in place to address these risks. The credit analyst uses this information to determine an ESG risk score between 1 (low) and 4 (very high). This score is included in each corporate issuer's credit profile. It assists the portfolio manager to evaluate credit risk and relative value pricing considerations in managing credit portfolios.

There are certain asset classes where ESG factors (including labour standards) are not taken into account when deciding whether to select, retain or sell an investment. This may include derivatives, commodities and exchange traded products.

Apart from the Perpetual ESG Australian Share investment option, PIML's consideration of ESG factors do not include making ethical or moral judgment on particular practices for the purpose of selecting, retaining or selling an investment.

Where PIML believe it is in the interest of the fund's investors, PIML may also actively engage with companies to encourage them to improve their ESG practices by:

- having processes and systems in place to identify and manage ESG risks effectively that may impact the current or future value of the company;
- being transparent, honest and accountable, which includes providing the level of disclosure necessary for informed investment decision-making, and
- implementing corporate structures and management incentives which ensure the company is managed in the long-term interests of shareholders (which includes sustainable business practices).

### **Perpetual ESG Australian Share investment option**

This fund invests in quality companies that meet PIML's ESG and values-based criteria utilising research from external ESG specialists.

PIML evaluates companies that meet the investment approach set out in the 'Investment option profiles' section using an ESG and values-based criteria when deciding to

select, retain or sell an investment.

### **Values-based criteria**

The values-based criteria means not investing in companies that derive a material proportion (5% or more) of their revenue<sup>1</sup> from:

- the manufacture or sale of alcohol or tobacco<sup>2</sup>
- the operation of gambling facilities or the manufacture or supply of gambling products
- fossil fuels (exploration and extraction)
- uranium and nuclear
- animal cruelty (cosmetic testing)
- genetic engineering
- pornography
- armaments (including weapons)<sup>2</sup>

1 Generally calculated using the total gross amount of income generated by the sale of goods or services from normal business operations

2 For involvement in the production of tobacco, manufacture of nicotine alternatives and tobacco-based products and the development, production and maintenance of controversial weapons, a 0% revenue threshold is applied.

### **ESG Criteria**

Additionally, companies are scored (both positively and negatively) on a broad range of ESG factors such as the company's environmental policy and strategy, how it considers ESG factors in its supply chain management and whether it has been involved in any corporate misconduct.

Companies or issuers can receive negative scores for poor management of ESG risks or issues, such as a poor approach to human rights, the environment, corporate governance or supply chains. They can also receive positive scores for strong management approaches to ESG risks and issues and/or making ESG commitments, such as the use of renewable energy and inclusive employee policies. The criteria PIML use for scoring companies is not assessed uniformly with the weight of each criteria being based on the industry that the company or issuer is operating in. All company positive and negative scores are totalled and companies that receive a negative overall score fail this criteria are excluded from investment.

PIML may modify the ESG and values-based criteria at any time.

We will notify you of any such changes in accordance with our obligations under the law.



CERTIFIED BY RIAA

RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that the Perpetual ESG Australian Share investment option adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trade Mark of the Responsible Investment

Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Perpetual ESG Australian Share investment option's methodology, performance and portfolio holdings can be found at [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au), together with details about other responsible investment products certified by RIAA.<sup>1</sup>

1 The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

The RIAA requires certified funds to publicly disclose and update the full holdings for all assets under management on a half-yearly basis.

### Fund holdings

A document containing the latest 'Full holdings disclosure' for Perpetual ESG Australian Share investment option is available at our website (see 'Other documents' in the relevant Features Book for details) or you can obtain a copy free of charge by contacting us.

### **BlackRock Diversified ESG Stable investment option**

### **BlackRock Diversified ESG Growth investment option**

The fund will seek to meet its investment objective while taking into account the principles of environmental, social and governance (ESG) focused investing. This will be achieved via both ESG integration and the application of negative screens that excludes controversial sectors from the portfolio.

Underlying funds are assessed to ensure these meet the fund's ESG focused investment criteria either via ESG integration in the investment process or via negative screens or a combination of both. The fund will apply negative screens for certain ESG sensitive sectors including but not limited to tobacco, controversial weapons and nuclear weapons. Additional ESG screens may be applied across certain asset classes where appropriate.

BlackRock may also take labour standards, environmental, social and ethical considerations into account in their investment decision making process to the extent such considerations may have a financial effect on investments.

### **Schroder Sustainable Growth Investment option**

The Schroder Sustainable Growth fund has a sustainable investment philosophy which follows the Impact Management Project's 'ABC' framework. This framework is guided by the principles of Avoiding Harm, Benefitting Society and Contributing to Solutions which are applied in the following ways.

#### Avoiding Harm: ESG screening of the entire portfolio

The fund applies negative environmental and societal revenue exclusion screens to ensure that the fund is avoiding harm by not providing capital to companies that breach their investment policy. Specifically, the fund will not invest in securities issued by those that derive:

- Any revenue from tobacco production (or production of harmful nicotine alternatives);
- Any revenue from controversial weapons including nuclear, biological and chemical weapons, landmines, cluster munitions and depleted uranium manufacturers;
- More than 5% of revenue from gambling, adult entertainment, uranium extraction & production or conventional weapons;
- More than 10% of revenue from fossil fuel and gas extraction & production, tobacco or alcohol sales; or
- More than 20% of revenue from fossil fuel power generation, including oil, gas and coal.
- The fund will also review for exclusion companies that violate the United Nations Global Compact.

The fund may, on an exceptions basis, hold securities that would otherwise be excluded if it considers that the issuers nonetheless are, or are likely to, contribute positively to broader ESG goals.

#### Benefitting Society: Investing in sustainable companies

The fund aims to identify companies that are mitigating and effectively managing their environment and social risks and are making positive contributions to people and planet; and applying positive valuation adjustments to such companies.

The fund seeks to quantify the revenue impact (both positive and negative) of each potential externality for each company, to develop an understanding of how the company is benefitting society and reducing their risks which leads the fund to adjust its valuation assessment accordingly.

#### Contributing to Solutions: Active engagement and impact investing

The fund seeks to actively engage with companies whereby it seeks to influence company boards and management, through engagement and voting, with the aim of encouraging progress towards the UN Sustainable Development Goals and making commitments to Net Zero.

The fund will monitor the engagement and voting activity that takes place in relation to the underlying holdings of the fund through regular meetings to ensure the fund is driving ESG improvements at the underlying holding level.

### Additional information about certain 'complex' funds

ASIC requires the following specific information be provided for certain funds that pursue complex investment strategies (eg via use of leverage, derivatives and short selling) and/or have other characteristics (eg complex structures and/or performance fees) that may result in increased risk:

- periodic reporting
- investment strategy
- investment manager
- fund structure
- valuation, location and custody of assets
- liquidity
- leverage
- derivatives

- short selling
- withdrawals

To the extent that any particular details about the underlying funds for the following investment options are not already disclosed in the PDS (including this Investment Book) for Perpetual WealthFocus Investment Advantage, such additional information, which also forms part of the PDS, will be available at our website (see the PDS for details) or can be obtained free of charge by contacting us:

- Perpetual SHARE-PLUS Long-Short
- Platinum Asia
- Platinum International
- BlackRock Tactical Growth.

This additional information is also indirectly relevant to Super Plan and Pension Plan members investing in these investment options since they ultimately invest into the same underlying funds. The incorporated documents prepared for Perpetual WealthFocus Investment Advantage Fund investors are therefore also made available at our website for the information of Perpetual WealthFocus Superannuation Fund members (see 'Other documents' in the relevant Features Book for details) or you can obtain a copy free of charge by contacting us.

## Changes to the investment options

Features of the investment options (including investment manager, investment objective, approach and guidelines for the underlying funds) can change.

We can also open, close or terminate investment options or replace the investment manager.

Updated details reflecting any significant changes to the investment options that are not materially adverse will be available at our website. You can also obtain a paper copy of any updated information free of charge, upon request.

## Asset allocations and investment performance

An investment in an investment option is not a direct investment in the underlying fund. Consequently, the following may differ from that of the underlying fund:

- asset allocations – the cash holding in an investment option may be greater than that of the corresponding underlying fund as we may retain cash to ensure more timely processing of withdrawals
- investment performance – due to factors such as valuation timing differences, differences in fees and charges, retention of distributions (for liquidity purposes) and higher cash holdings, the performance of an investment option may not track that of the corresponding underlying fund.

## Consents

All companies mentioned in the PDS (including the investment managers of the underlying funds) have consented to the statements made by or about them being included in the PDS, in the form and context that they appear.

The companies that have consented have not withdrawn their consent before the issue date of the PDS and have not authorised or caused the issue of the PDS.

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## Contact details

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

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