
Perpetual's Select Superannuation Fund

Perpetual Select Super Plan
Perpetual Select Pension Plan
Annual Report

ANNUAL REPORT
YEAR ENDED 30 JUNE 2021
Perpetual Superannuation Limited
ABN 84 008 416 831 AFSL 225246 RSE L0003315

Perpetual 

Directory

Fund

Perpetual's Select Superannuation Fund (Fund)
ABN 51 068 260 563
RSE R1057034

Products

Perpetual Select Super Plan (Super Plan)
SPIN/USI PER0138AU

Perpetual Select Pension Plan (Pension Plan)
SPIN/USI PER0279AU (Term Allocated Pension)
SPIN/USI PER0405AU (Account Based Pension)

Issuer and trustee

Perpetual Superannuation Limited (Trustee)
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Important notes and disclaimer

This Annual Report (Report) provides the fund information required under the Corporations Act 2001 and has been prepared by the Trustee in September 2021 for members of the Fund. This Report should be read in conjunction with your Annual Statement for the year ended 30 June 2021 detailing your specific benefits under the Fund.

In this Report, 'we', 'us', 'our' and 'Perpetual Superannuation' are references to the Trustee.

The information is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. The information is believed to be accurate at the date this Report was prepared and is provided by the Trustee in good faith. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Fund is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

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Message from the Chair, Perpetual Superannuation Limited

It gives me great pleasure to present the Annual Report for Perpetual's Select Superannuation Fund for the year ended 30 June 2021.

I'd like to start by thanking you for trusting us to manage your retirement savings. It is not a role we take lightly. We know that trust needs to be earned. Our commitment to earning your trust drives our actions every day.

Being part of Perpetual Limited is key for Perpetual Superannuation Limited (PSL). We have the backing, infrastructure and support services of a large global, diversified financial services company. We also have a shared set of values and ethos.

Investment performance

We offer a choice of investment options with differing levels of risk and returns, and exposure to different asset classes, for you to select the options most appropriate to your needs. We also provide you with the flexibility to change your selection over time.

The investment options are generally managed with a multi-manager investment approach, where we select several specialist investment managers for most of the asset classes. We aim to select investment managers to combine their different styles, philosophies, approaches and techniques, with the aim of enhancing diversification and producing more consistent returns.

Investment performance is a central element of our delivery to you. We aim to deliver the best possible investment outcomes for your retirement savings on a risk-adjusted basis. We remain committed to our investment philosophy no matter what short-term factors are influencing movements in markets.

Each of the multi-asset class investment options delivered strong investment returns over the 2021 financial year. Rapid and large support packages by central banks and governments around the world have bolstered economic activity and markets following COVID related volatility.

Returns for the multi-asset class investment options (Super Plan)

Investment options	12-month returns to 30 June 2021
Conservative	9.6%
Diversified	12.3%
Balanced	15.9%
Growth	19.3%
High Growth	22.4%

Investment performance has been calculated net of any investment fees, investment costs, percentage-based administration fees and administration costs, net transaction costs and income tax of up to 15%. No allowance has been made for any investment fee rebates. The investment performance is also net of the dollar-based annual member administration fee. Care should be exercised in relying on past performance. Past performance is not indicative of future performance.

This shows the benefit of sticking with your investment strategy in achieving good outcomes over time. However, as always, we remain focused on the risks, as well as the opportunities, in markets. Similar returns should not be expected every year.

PSL's responsibility to its members is reflected in our purpose 'the enduring prosperity for the lifetime of our members'. Our purpose leads us to having a long-term perspective. We believe that environmental, social and corporate governance (ESG) factors, particularly climate change and climate policies, will impact long-term investment returns and risk. As such, the consideration of ESG factors is integrated into our investment selection and monitoring process, and that of the specialist investment managers we appoint.

Fees

In October 2020, we lowered investment fees, lowered the dollar-based administration fee and introduced a percentage-based administration fee. All part of our ongoing commitment to the enduring prosperity for the lifetime of our members and our drive to improve member outcomes.

Member services

There has also been significant effort dedicated to enhancing member services. We have worked hard to improve the tools and features available to members. We want to create a rich engagement with our members, digitising information where it makes sense and improving your experience.

In December 2020, we launched our new online portal called myPerpetual. With greater functionality, a smart dashboard, real time data, stronger security features and a fresh new mobile-friendly design, members have found the new portal easier to use with all the relevant information at their fingertips. All part of our plan to improve digital experience to make superannuation simpler.

Our call centre remains a high priority and we're very proud of our team that consistently delivers outstanding service for members. Our team of highly experienced specialists are on-hand, located here in Australia at Perpetual's head office from 8.30am to 6.00pm (Sydney time), Monday to Friday to answer questions, process requests and deliver service to the highest industry standards.

Have your say

We welcome comments and feedback from members and the upcoming annual member meeting, to be held on 19 November 2021, provides an opportunity to do this. We will provide updates on strategy, investment performance, service and, most importantly, respond to questions raised by members. Look out for your invitation.

Thank you for continuing to entrust us to look after your retirement savings.

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

Superannuation changes

Indexation of superannuation limits and thresholds

The following superannuation limits and thresholds have been set by the Australian Taxation Office (ATO) for the 2021/2022 financial year.

Limit/threshold	2020/2021	2021/2022
Concessional contributions cap ¹	\$25,000	\$27,500
Non-concessional contributions cap ²	\$100,000	\$110,000
Government co-contribution ³ :		
Lower income threshold	\$39,837	\$41,112
Higher income threshold	\$54,837	\$56,112
Limit on capital gains tax concession on disposal of eligible assets by qualifying small business owners ⁴	\$1,565,000	\$1,615,000
Low-rate cap ⁵ for the taxable component of lump sum benefit payments where members have reached their preservation age but before age 60	\$215,000	\$225,000
Income stream total account balance limit ⁶	\$1,600,000	\$1,700,000

Tax on benefits paid to members

When a superannuation benefit is received, it may include both tax-free and taxable components, calculated in the same proportions as the total account balance immediately before the payment.

The taxable portion of any superannuation lump sum or pension benefit is subject to tax depending on your age when received, as shown in the following tables.

Tax on superannuation lump sum benefit payments

Component	Age benefit received	Tax treatment
Tax-free⁷	Any age	Tax-free
Taxable⁸	Before reaching your preservation age ⁹	Taxed at 20% ¹⁰
	After reaching your preservation age ⁹ but before age 60	2020/2021 financial year: First \$215,000 ⁵ is tax-free and the balance taxed at 15% ¹⁰ 2021/2022 financial year: First \$225,000 ⁵ is tax-free and the balance taxed at 15% ¹⁰
	On or after reaching age 60	Tax-free

Tax on superannuation pension benefit payments

Component	Age benefit received	Tax treatment
Tax-free⁷	Any age	Tax-free
Taxable⁸	Before reaching your preservation age ⁹	Taxable at marginal tax rate ¹⁰
	After reaching your preservation age ⁹ but before age 60	Taxable at marginal tax rate ¹⁰ , less 15% pension offset
	On or after reaching age 60	Tax-free

- This amount will be indexed in line with Average Weekly Ordinary Time Earnings (AWOTE) once the increase in the indexed amount is greater than \$2,500. Members with a total superannuation balance of less than \$500,000 on 30 June of the previous financial year who have not fully utilised their concessional contributions cap in the 2018/2019 or subsequent financial years will be able to carry forward the unused cap amounts on a rolling five consecutive year basis to make additional concessional contributions. You can check your details of any unused concessional contributions cap using the ATO online services through myGov.
- The non-concessional contributions cap is four times the general concessional contributions cap. Members with a total superannuation balance of \$1.7 million or more as at 30 June 2021 will not be eligible to make non-concessional contributions in the 2021/2022 financial year. Members under age 67 with a total superannuation balance from \$1.48 million to less than \$1.59 million as at 30 June 2021 will be eligible to bring forward two years (\$220,000) of non-concessional contributions, whilst those members with a total superannuation balance less than \$1.48 million as at 30 June 2021 will be eligible to bring forward three years (\$330,000) of non-concessional contributions. If an individual has triggered a bring forward arrangement before 1 July 2021, they will not have access to any additional cap space as a result of the increase to the non-concessional contributions cap from 1 July 2021 (ie their bring forward amount remains limited to \$300,000 or \$200,000 as appropriate).
- The co-contribution rate is 50%, with a maximum \$500 co-contribution on personal non-concessional contributions up to \$1,000 made by individuals with a total income up to the lower income threshold, which reduces by 3.333 cents for every \$1 of total income up to the higher income threshold where it ceases to apply. The higher income threshold is set at \$15,000 above the (indexed) lower income threshold. Members must have a total superannuation balance less than \$1.7 million (as indexed) on 30 June of the previous financial year and cannot exceed their non-concessional contributions cap in the relevant financial year to be eligible to receive co-contributions.
- The capital gains tax concession is a lifetime limit and will be indexed in line with AWOTE in multiples of \$5,000.
- The low-rate cap is a lifetime limit and will be indexed in line with AWOTE in multiples of \$5,000.
- A transfer balance cap applies to the total amount of accumulated superannuation that a member can transfer into the retirement (income stream) phase. The general transfer balance cap will be indexed in line with the Consumer Price Index (CPI) in \$100,000 increments. From July 2021, you will be able to see your personal transfer balance cap in ATO online. This will be the only place you can see your transfer balance cap if you had a transfer balance account before 1 July 2021.
- Includes non-concessional contributions and Government co-contributions from 1 July 2007 (plus the former undeducted contributions, pre-July 1983 (amount fixed as at 30 June 2007), post-June 1994 invalidity, CGT exempt and concessional components).
- Includes concessional contributions from 1 July 2007 (plus the former post-June 1983 (taxed) and excessive components).
- Please refer to the 'Preservation age' table below for details.
- Plus Medicare levy.

Preservation age

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Federal Budget 2021-22 – Proposed changes affecting superannuation

On 11 May 2021, the Federal Government announced as part of its Budget the following proposed changes affecting superannuation which, if implemented through the passing of appropriate supporting legislation, could impact some members.

Minimum pay threshold for superannuation guarantee payments

From 1 July 2022, the minimum monthly income threshold of \$450, under which employers do not have to make super contributions for employees will be abolished.

Changes to the work test for superannuation contributions

Currently, members aged 67 to 74 can only make non-concessional contributions or salary sacrifice contributions if they meet the work test, which requires that they work a minimum of 40 hours in a period of no more than 30 consecutive days during the financial year, or satisfy the work test exemption.

From 1 July 2022, individuals aged 67 to 74 will no longer be required to meet the work test when making, or receiving, non-concessional superannuation contributions or salary sacrificed contributions. These individuals will also be able to access the non-concessional bring forward arrangement, subject to meeting the relevant eligibility criteria.

Downsizer contributions

Currently, members aged 65 or over can make additional contributions of up to \$300,000 from the proceeds of the sale of their principal residence (which they must have owned for the past 10 or more years) within 90 days of receiving the proceeds, provided they meet the relevant qualifying criteria.

From 1 July 2022, the minimum age for the downsizer contribution will be lowered to 60.

First home saver super (FHSS) scheme

The FHSS scheme allows first home buyers to contribute up to \$15,000 per year (and \$30,000 in total) in personal and salary sacrifice contributions to superannuation (within the relevant contribution caps) and apply to the ATO for these voluntary contributions plus deemed earnings to be withdrawn early to use towards acquiring their first home (other conditions also apply).

From 1 July 2022, the maximum total amount of voluntary contributions that can be made and released under the FHSS scheme will increase to \$50,000.

Legacy retirement product conversions

Individuals currently locked into certain legacy retirement products that were first commenced prior to 20 September 2007 and which restrict access to capital and flexibility of drawdowns will have a temporary option to fully withdraw from the legacy product and transfer the capital amount back into an accumulation phase account in a superannuation fund.

From there they can decide to commence a new, more flexible and contemporary retirement product, take a lump sum benefit, or retain the funds in that accumulation phase account.

The existing social security treatment that applies to the legacy product will not transition over to any new retirement product but exiting a legacy product will not trigger a re-assessment of the social security treatment of the product for the period before conversion. Existing rules for income streams will continue to apply so that individuals starting a new retirement product will be limited by the transfer balance cap rules. The current transfer balance cap valuation methods for the legacy product, including on commencement and commutation, continue to apply.

Exits from legacy retirement products will be possible for two years commencing from the beginning of the first financial year after Royal Assent of the enabling legislation. Individuals who may want to take up the option to exit their legacy retirement product should consider seeking financial advice.

Other superannuation changes

Changes to the 'bring forward' rules for non-concessional contributions

Access to the 'bring forward' arrangements, which previously allowed members under age 65 to make up to three years' worth of non-concessional contributions in a single year, has been extended to include members aged 65 and 66 for non-concessional contributions made on or after 1 July 2020.

Removal of the excess concessional contribution charge

Individuals who make contributions on or after 1 July 2021 that exceed their concessional contributions cap, will no longer be liable to pay the excess concessional contributions charge. Members will still be taxed at their marginal tax rate on any excess concessional contribution amount (with a 15% tax offset to account for the contributions tax already paid by their super fund).

Recontributing amounts withdrawn under the COVID-19 early release provisions

Members who were adversely financially affected by the COVID-19 pandemic and utilised the Government's early release initiative to withdraw up to \$10,000 of their super early in the 2019/2020 and/or 2020/2021 financial years can re-contribute, between 1 July 2021 and 30 June 2030, up to the amount withdrawn without these recontributions counting towards their non-concessional contributions cap.

Members will be required to advise the super fund in the approved form, either before or at the time of making the re-contribution.

Minimum pension amount

For Pension Plan members, we calculate the minimum annual payment amount (rounded to the nearest \$10) as at the date of commencing your pension and recalculate it as at 1 July each financial year, based on your age and pension account balance at the time of calculation.

The following table shows the minimum annual pension limits that apply to an account based pension in the normal course. The Government's halving of the minimum annual pension payment required to be taken for the 2019/2020 and 2020/2021 financial years, which was originally introduced to help mitigate the negative effect on pension account balances arising from significant losses in financial markets as a result of the COVID-19 crisis, has been extended to the 2021/2022 financial year.

Minimum pension limits

Age range	Percentage of account balance	
	Normal course	2019/2020, 2020/2021 and 2021/2022 financial years
Under 65	4%	2.0%
65-74	5%	2.5%
75-79	6%	3.0%
80-84	7%	3.5%
85-89	9%	4.5%
90-94	11%	5.5%
95+	14%	7.0%

Superannuation guarantee increase

In line with currently legislated increases, the superannuation guarantee percentage has increased from 9.5% to 10.0% from 1 July 2021.

Product update

Product Disclosure Statement (PDS)

You can download the current Perpetual Select Super Plan and Pension Plan PDS issue number 10 dated 1 October 2020 (including any PDS updates), together with any incorporated documents, from our website or obtain a copy, free of charge, by contacting us or your adviser.

Changes to fees and costs disclosure

The current PDS complies with legislative requirements in the way that fees and costs can be disclosed in product disclosure statements issued on or after 30 September 2020 (and must be disclosed this way by 30 September 2022), as follows:

- **ongoing annual fees and costs**, comprising:
 - administration fees and costs
 - investment fees and costs
 - transaction costs
- **member activity related fees and costs**, comprising:
 - buy/sell spread
 - other fees and costs (eg insurance fees).

There is no longer an 'indirect cost ratio' since all former indirect costs are now reclassified as administration costs, investment costs or transaction costs.

Corresponding reporting changes will be reflected in member statements issued for reporting periods commencing from 1 July 2021.

Fees and costs – product pricing restructure

Coinciding with the reissue of the PDS incorporating the above revised disclosure requirements, significant changes were also made to the way we charge fees and costs from 1 October 2020 by introducing a simpler, clearer and more transparent fee structure, including changes to administration fees and costs, investment fees and fee rebates.

Overall, these changes generally resulted in reductions to the total ongoing annual fees and costs paid by most members.

Details of these changes were communicated previously to members by letter in late-August 2020.

Administration fees and costs

Administration fees

We charge administration fees for administering your member account and to meet the ongoing costs of operating the Fund and its investment options.

Dollar-based administration fee

From 1 October 2020, the dollar-based administration fee formerly \$127.68 per annum (\$10.64 per month), which previously was increased annually in line with cumulative increases in the Consumer Price Index (CPI), was reduced to a fixed amount of \$84.00 per annum (\$7.00 per month).

Percentage-based administration fee

From 1 October 2020, a new percentage-based administration fee of 0.20% per annum was introduced across all investment options to replace the former variable expense recoveries previously charged to the Fund's investment options (see 'Administration costs' below for further information).

The administration fee for the Cash investment option only was subsequently reduced from 0.20% to 0.10% per annum from 1 December 2020.

Administration costs

We're entitled to charge the Fund or be reimbursed from the investment options for any expenses incurred in the proper performance of our duties and obligations relating to the trusteeship, management and administration of the Fund. There is no limit in the Fund's Trust Deed on the amount that can be recovered for expenses.

Normal operating expenses

Normal operating expenses are those incurred in the day-to-day operation of the Fund.

Before 1 October 2020, all administration costs were charged as variable expense recoveries to the Fund's investment options. From 1 October 2020, all normal operating expenses are now paid out of our administration fees.

Abnormal operating expenses

Abnormal operating expenses aren't generally incurred during the day-to-day operation of the Fund and aren't necessarily incurred in any given year. They're due to abnormal events such as legal costs incurred by changes in the Fund's Trust Deed.

We now currently aim to also pay any abnormal operating expenses out of our administration fees, wherever possible. However, we may instead charge to the Fund abnormal operating expenses incurred in any year without notice. In this event, these abnormal operating expenses will be an administration cost that is additional to our administration fees only for the relevant year.

Investment fees and costs

Investment fees

We also receive investment fees for overseeing the Fund's investments. The amounts may differ between investment options due to the nature of each investment option's underlying investments. We pay any management fees payable to the specialist investment managers (other than any alternative asset fees and performance fees) out of the investment fees we receive.

From 1 October 2020, investment fees were reduced across all investment options. The current investment fee for each investment option is shown in the following table.

Investment fees

Investment option	Investment fees (% pa)
Conservative	0.92%
Diversified	0.99%
Balanced	1.05%
Growth	1.08%
High Growth	1.13%
Cash	0.00% ¹
Fixed Income	0.91%
Real Estate	1.17%
Australian Share	1.20%
Limited Share	1.11%
International Share	1.22%

¹ The investment fee for the Cash investment option was originally set at 0.05% pa from 1 October 2020, which was subsequently reduced to 0.00% pa from 1 December 2020.

Investment fee rebate

An investment fee rebate (formerly referred to as a 'base fee rebate') is available to members with large account balances. The size of your rebate is calculated based on the average daily balance of your investment in each of your Super Plan and/or Pension Plan account(s), **excluding any balances held in the Cash investment option**, over the monthly calculation period and is applied to your account(s) at the end of each month as additional units in your investment option(s).

The former base fee rebate thresholds applicable from 1 July 2020 to 30 September 2020, which previously were increased by CPI annually on 1 July, are shown in the following table.

Base fee rebate: 1 July 2020 to 30 September 2020

Average daily account balance	Base fee rebate (% pa)
First \$286,100	Nil
Next \$668,300	0.50%
Amount over \$954,400	1.15%

The current investment fee rebate thresholds applicable from 1 October 2020, which will remain fixed unless otherwise notified, are shown in the following table.

Investment fee rebate: From 1 October 2020

Average daily account balance ¹	Investment fee rebate (% pa)
First \$280,000	Nil
Next \$620,000	0.22%
Amount over \$900,000	0.62%

¹ Excluding any balances held in the Cash investment option.

A pro rata rebate was applied to relevant members' accounts to cover the period from 1 July to 30 September 2020 as part of the transition to the new fee rebate structure.

Investment costs

Types of investment costs are unchanged and may include:

- alternative asset fees (where relevant) payable in underlying funds
- performance fees (if applicable) that may be payable in relevant underlying funds
- other investment costs (see below).

Other investment costs

The underlying funds may also charge expense recoveries, which will usually be deducted from the assets of the underlying funds and reflected in their unit price, and/or the underlying funds themselves may incur indirect costs. If charged, these amounts will usually be an indirect investment cost to you.

Investment costs may also be incurred if an investment option or underlying fund invests in derivatives.

Annual fee cap

If your account balance for a product offered by the Fund is less than \$6,000 at the end of the financial year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

Buy/sell spreads

Transaction costs are normally reviewed at least annually. This review may result in changes to the buy/sell spreads on various investment options.

The current buy/sell spreads as at 15 September 2021 are as follows.

Investment option	Buy/sell spread
Select multi-asset class investment options	
Conservative	0.23%/0.00%
Diversified	0.24%/0.00%
Balanced	0.24%/0.00%
Growth	0.27%/0.00%
High Growth	0.30%/0.00%
Select single-asset class investment options	
Cash	0.00%/0.00%
Fixed Income	0.20%/0.00%
Real Estate	0.35%/0.00%
Australian Share	0.30%/0.00%
Limited Share	0.30%/0.00%
International Share	0.35%/0.00%

Latest information about fees and costs

You should refer to the current PDS and any updated information provided on our website for the most recent details relating to fees and costs, including current buy/sell spreads at any time.

The latest information about ongoing annual fees and costs is published on our website each year.

myPerpetual online access

myPerpetual has replaced our former Online Account Access facility and offers enhanced, easy and convenient online access for you to:

- receive reporting online, including any notifications we are required to provide under the Corporations Act (although there may be times when we must also send online correspondence to you in paper form)
- check the total value of your investment in the Super Plan or Pension Plan
- view your account summary, including the investment option(s) you are invested in, the number of units, unit price and current balance of the investment option(s)
- review your recent transaction history
- update your personal details
- update your investment strategy
- transact online.

Please contact us if you wish to arrange myPerpetual online access and have not already done so.

Insurance in the Super Plan

Details of the current insurance available to Super Plan members, including updated insurance premium rate tables, can be found in the 'Insurance in your super' document reissued on 1 July 2021, which you can download from our website or obtain a copy by contacting us or your adviser.

The current insurance policy document, which contains the latest terms and conditions (including the following changes), can be obtained free of charge by contacting us.

Changes from 1 July 2020

The insurance policy was amended, with effect from 1 July 2020, to include the following changes to its terms and conditions for death, TPD and salary continuance insurance. These changes were previously communicated in advance to affected Super Plan members in May 2020 and also included in last year's Annual Report.

Insurance premium rates

Insurance premium rates were revised from 1 July 2020 for:

- death only cover
- total and permanent disablement (TPD) only cover
- combined death and TPD cover
- salary continuance cover.

Insurance administration fees

With effect from 1 July 2020, the amount paid by the insurer to the Perpetual Group for services and reimbursement of expenses incurred in relation to the insurance arrangements for the Fund has reduced from 16.5% to 10.5% (inclusive of GST) of the standard insurance premiums.

Insurance policy terms and conditions

The insurance policy has been amended, with effect from 1 July 2020, to include the following changes to its terms and conditions.

Cooling-off period for cancellations of cover

If you cancel your cover within 14 days of the date from which your cover commenced or was increased, all cover or the additional cover (as applicable) will be cancelled from the date that cover first commenced and any premiums paid for that cover will be refunded to your member account.

Residency status

To be eligible for insurance cover under the Fund, members now only need to be an Australian resident (defined as either an Australian citizen or holder of an Australian permanent resident visa or a New Zealand citizen holding a current special category visa who is residing in Australia indefinitely) at the time cover commences.

Consequently:

- subsequent residency-based events, which formerly triggered cessation of cover once a member was no longer an Australian resident or had left and remained outside Australia for a defined period, no longer apply
- all eligible insured members now are generally covered 24 hours a day and may travel or work in any part of the world.

Salary continuance benefits

Salary continuance benefits will be paid for a maximum of six months while you travel or reside overseas.

Further changes from 1 July 2021

The following changes were previously communicated in advance to affected members in May 2021.

Total and permanent disablement (TPD) definitions

The insurance policy has been further amended, with effect from 1 July 2021, to modify the standard TPD definition to include all members under age 65 who were gainfully employed in the 12 months before the cause of a claim. Previously:

- only members who were working on average 15 hours or more per week in the three months before the cause of a claim were included under the standard TPD definition
- those members who were working on average less than 15 hours per week in the three months before the cause of a claim or working in an uninsurable or hazardous occupation were subject to the 'Activities of daily living' (ADL) TPD definition.

Updated TPD definitions are provided below. There was a consequential rerating of insurance premiums covering TPD.

Standard TPD definition from 1 July 2021

If you were gainfully employed in the 12 months before the cause of a claim (or on approved unpaid leave or maternity/paternity leave for up to 24 consecutive months with documented evidence of an agreed return to work date) and under age 65 immediately prior to disablement, TPD means that:

- you have suffered a disability as a result of injury, sickness or disease and
- you have not performed any work for an uninterrupted period of at least six consecutive months solely due to the same injury, sickness or disease and
- you are attending and following the advice of a registered medical practitioner and have undergone all reasonable and usual treatment, including rehabilitation for the injury, sickness or disease and
- after considering all of the medical and other evidence the insurer may require, have become, in the insurer's opinion, incapacitated to such an extent that you are unlikely ever to be able to engage in any occupation for which you are reasonably suited by education, training or experience.

Activities of daily living TPD definition from 1 July 2021

If you were not gainfully employed in the 12 months before the cause of a claim (unless you are on approved unpaid leave or maternity/paternity leave for up to 24 consecutive months) or you are aged 65 or over immediately prior to disablement, TPD means that:

- you have been, for a period of six consecutive months after the occurrence of an injury, sickness or disease, continuously, totally and permanently unable to perform at least two of the following activities of daily living as certified by a registered medical practitioner, and provided such continued inability is irreversible and is certified to be such by that registered medical practitioner:
 - **bathing** – the ability to wash yourself either in the bath or shower or by sponge bath without the standby assistance of another person
 - **dress** – the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them without the standby assistance of another person
 - **eating** – the ability to feed yourself once food has been prepared and made available, without the standby assistance of another person
 - **toileting** – the ability to get to and from and on and off the toilet without the standby assistance of another person and the ability to manage bowel and bladder functions through the use of protective undergarments or surgical appliances (if appropriate)
 - **transferring** – the ability to move in and out of a chair without the assistance of another person

and

- after considering all of the medical and other evidence the insurer may require, have become, in the insurer's opinion, incapacitated to such an extent that you are unlikely ever to be able to engage in any occupation for which you are reasonably suited by education, training or experience.

Insurance premium rates

Insurance premium rates were also revised again from 1 July 2021 for:

- TPD only cover
- combined death and TPD cover
- salary continuance cover.

If you have death, TPD and/or salary continuance cover under the Fund, your Annual Statement contains details of your new annual premium rates from 1 July 2021.

MySuper successor fund transfer

Former MySuper members in the Fund were transferred to CareSuper in October 2020 under a successor fund transfer arrangement.

Design and distribution obligations (DDO)

DDO requires issuers (like trustees of superannuation funds) and distributors (like advisers) of financial products to monitor consumer outcomes and review products to ensure that consumers are receiving products which are consistent with their likely objectives, financial situation and needs. Each product is required to issue a Target Market Determination (TMD) which contains this information.

The TMD documents for each of the Super Plan and Pension Plan will be publicly available on the Perpetual website from 5 October 2021. The TMD does not replace the PDS, which will continue to be issued.

Investment information

Trustee's investment objective

The Trustee's investment objective is to provide a comprehensive and suitable range of investment options from which all members can select investments that are suitable for their personal circumstances at any particular time.

Trustee's investment strategy

The Trustee's investment strategy is to provide a range of investment options with different risk/return profiles.

The variety of investment options offers members diversification across different asset classes, regions and markets. Most investment options also offer further diversification across a range of specialist investment managers.

Investment options

Relevant details for each of the investment options available to Fund members are provided in the investment options tables, including:

- risk level
- investment return objective
- investment guidelines
- option size
- total annual percentage-based fees and estimated costs
- investment performance
- asset allocations.

The Trustee may add, vary or withdraw investment options at its discretion.

Full details of the investment options that are currently available to Fund members are contained in the relevant current Product Disclosure Statement (PDS) available at our website or by calling us.

Risk level

The risk level for each investment option is represented by its Standard Risk Measure (SRM), which is based on a standard industry measure of the estimated number of negative annual returns over any 20 year period – see footnote 1 to the investment options tables for further information about SRMs.

SRMs are usually reviewed annually. The latest SRMs for all of the investment options are reflected in the current PDS and the investment options tables. Any changes to SRMs at any time will be available at our website.

Members should ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s), seeking professional advice where appropriate.

Total annual percentage-based fees and estimated costs

The total annual percentage-based fees and estimated costs for the year ended 30 June 2021 shown in the investment options tables reflect the weighted average annual administration fees and estimated administration costs, weighted average annual investment fees and estimated investment costs and estimated net transaction costs for the investment options. The dollar-based administration fee charged on members' accounts is additional to these amounts.

Investment performance

Investment performance has been calculated using unit prices net of any investment fees and costs, percentage-based administration fees and costs, net transaction costs and (for the Super Plan) income tax of up to 15%. No allowance has been made for any investment fee rebates for Super Plan and Pension Plan members. For the year ended 30 June 2021 and compound average returns to 30 June 2021, the investment performance is also net of the dollar-based annual member administration fee. Care should be exercised in relying on past performance. Past performance is not indicative of future performance.

The latest available performance figures (updated each month) may be obtained at our website or by calling us.

Asset allocations

The asset allocations shown in the investment options tables are based on the Super Plan, which may in some cases differ marginally from asset allocations for the Pension Plan.

Derivatives

Perpetual's multi-manager investment team and some of the investment managers with which the Fund invests may use derivatives to manage risks in the share, bond and currency markets and to manage asset exposure to particular investment sectors or markets. While derivatives may be used for trading purposes, they are generally not used to gear investments.

Terminated investment options

The following investment options were terminated effective 21 October 2020. In the absence of a member initiated switch to another investment option prior to the termination date, any remaining holdings were transferred to the successor investment option selected by the Trustee.

Terminated investment option	Successor investment option
Geared High Growth ¹	High Growth
Geared Australian Share ¹	Australian Share
Capital Guarantee	Cash

¹ This investment option was previously available to Super Plan members only.

Specialist investment managers

The specialist investment managers appointed by the Trustee to manage the various asset classes within the Super Plan and Pension Plan investment options are shown in the following table. Visit our website for further information about the specialist investment managers.

Specialist investment managers as at 30 June 2021

Asset class	Investment manager(s)
Cash	Perpetual Investment Management Limited
Fixed income	Colchester Global Investors Macquarie Investment Management Perpetual Investment Management Limited Thornburg Investment Management Western Asset
Diversified credit	AllianceBernstein Australia Limited Perpetual Investment Management Limited Thornburg Investment Management
Real estate	Renaissance Asset Management Resolution Capital
Australian shares	Cooper Investors DNR Capital Kaplan Funds Management Perpetual Investment Management Limited ¹ Renaissance Asset Management Selector Funds Management Limited
International shares	Artisan Partners Barrow, Hanley, Mewhinney & Strauss Black Creek Investment Management Hardman Johnston Global Advisers RWC Partners Sustainable Growth Advisers
Alternative assets	Perpetual Investment Management Limited ²

1 Perpetual Investment Management Limited is the sole investment manager for the Limited Share investment option.

2 Perpetual Investment Management Limited actively reviews and invests in a range of alternative investment structures managed by a number of alternative managers in accordance with relevant investment objectives.

The Trustee may add, delete or replace specialist investment managers at its discretion.

Obtaining updated details on the investment options

Investment details

From time to time, some of the information in the PDSs about the investment options may change. This includes details such as their:

- investment objective
- investment approach
- investment guidelines (eg asset allocation ranges).

Visit our website for up-to-date investment option information, together with the latest available investment performance details. Alternatively, such information may be accessed by contacting us.

Multi-asset class investment options

Investment option name	Conservative ²			Diversified		
Risk level¹	5 – Medium to high			6 – High		
Investment return objective	Aims to: <ul style="list-style-type: none"> provide members with stable returns through investment in a diversified portfolio with an emphasis on diversified credit, fixed income and cash investments Super Plan – outperform the CPI by 0.75% (before fees and after tax) over rolling three-year periods Pension Plan – outperform the CPI by 1.00% (before fees and after tax) over rolling three-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark³ reflecting the underlying funds' target allocations at any time to the various asset types. 			Aims to: <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio of assets Super Plan – outperform the CPI by 1.50% (before fees and after tax) over rolling five-year periods Pension Plan – outperform the CPI by 2.00% (before fees and after tax) over rolling five-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark³ reflecting the underlying funds' target allocations at any time to the various asset types. 		
Investment guidelines	Cash ⁴	0-30%		Cash ⁴	0-30%	
	Fixed income ^{5,6}	10-40%		Fixed income ^{5,6}	10-30%	
	Diversified credit	20-60%		Diversified credit	10-40%	
	Income alternatives	0-20%		Income alternatives	0-10%	
	Real estate ^{6,7,8}	0-10%		Real estate ^{6,7,8}	0-15%	
	Australian shares	5-20%		Australian shares	10-25%	
	International shares ⁶	10-30%		International shares ⁶	15-40%	
	Growth alternatives	0-10%		Growth alternatives	0-20%	
Option size as at 30 June 2021	Super Plan:	\$25.7 million		Super Plan:	\$24.9 million	
	Pension Plan:	\$34.3 million		Pension Plan:	\$31.5 million	
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	Super Plan:	1.75%		Super Plan:	1.84%	
	Pension Plan:	1.77%		Pension Plan:	1.86%	
	(includes 0.09% performance fees for Super Plan and 0.09% performance fees for Pension Plan charged in underlying funds)			(includes 0.12% performance fees for Super Plan and 0.12% performance fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2017	3.7%	4.4%	2017	4.3%	5.2%
	2018	4.4%	4.9%	2018	5.4%	5.9%
	2019	4.2%	4.7%	2019	4.9%	5.5%
	2020	-0.2%	-0.6%	2020	-0.7%	-1.3%
	2021	9.6%	10.5%	2021	12.3%	13.8%
	Compound average returns to 30 June 2021			Compound average returns to 30 June 2021		
	5 years	4.1%	4.6%	5 years	5.0%	5.6%
	10 years	4.5%	5.1%	10 years	5.3%	6.0%
	Since inception	4.7%	5.4%	Since inception	5.3%	6.0%
Asset allocations (Super Plan)	As at 30 June	2020	2021	As at 30 June	2020	2021
	Cash	7%	2%	Cash	8%	1%
	Fixed income	22%	19%	Fixed income	18%	13%
	Diversified credit	23%	28%	Diversified credit	20%	20%
	Income alternatives	9%	10%	Income alternatives	6%	5%
	Real estate	4%	4%	Real estate	6%	8%
	Australian shares	14%	12%	Australian shares	15%	17%
	International shares	13%	20%	International shares	15%	26%
	Growth alternatives	8%	5%	Growth alternatives	12%	10%

Investment option name	Balanced	Growth																																																												
Risk level¹	6 – High	6 – High																																																												
Investment return objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio with an emphasis on Australian and international share investments Super Plan – outperform the CPI by 2.25% (before fees and after tax) over rolling seven-year periods Pension Plan – outperform the CPI by 3.00% (before fees and after tax) over rolling seven-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark³ reflecting the underlying funds' target allocations at any time to the various asset types. 	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio with a strong emphasis on Australian and international share investments Super Plan – outperform the CPI by 3.00% (before fees and after tax) over rolling ten-year periods Pension Plan – outperform the CPI by 3.50% (before fees and after tax) over rolling ten-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark³ reflecting the underlying funds' target allocations at any time to the various asset types. 																																																												
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Option size as at 30 June 2021	<p>Super Plan: \$166.6 million</p> <p>Pension Plan: \$187.8 million</p>	<p>Super Plan: \$259.7 million</p> <p>Pension Plan: \$321.7 million</p>																																																												
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	<p>Super Plan: 1.88%</p> <p>Pension Plan: 1.90%</p> <p>(includes 0.11% performance fees for Super Plan and 0.12% performance fees for Pension Plan charged in underlying funds)</p>	<p>Super Plan: 1.88%</p> <p>Pension Plan: 1.92%</p> <p>(includes 0.12% performance fees for Super Plan and 0.12% performance fees for Pension Plan charged in underlying funds)</p>																																																												
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Investment option name	High Growth		
Risk level¹	6 – High		
Investment return objective	<p>Aims to:</p> <ul style="list-style-type: none"> • provide members with long-term growth through investment in a diversified portfolio with a strong emphasis on Australian and international shares, as well as growth alternative investments • Super Plan – outperform the CPI by 3.25% (before fees and after tax) over rolling ten-year periods • Pension Plan – outperform the CPI by 4.00% (before fees and after tax) over rolling ten-year periods • outperform (before fees and after tax), over rolling three-year periods, a composite benchmark³ reflecting the underlying funds' target allocations at any time to the various asset types. 		
Investment guidelines	Cash ⁴	0-30%	
	Real estate ^{6,7,8}	5-20%	
	Australian shares	15-40%	
	International shares ⁶	20-60%	
	Growth alternatives	0-20%	
Option size as at 30 June 2021	Super Plan:	\$80.7 million	
	Pension Plan:	\$2.2 million	
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	Super Plan:	1.94%	
	Pension Plan:	2.01%	
	(includes 0.13% performance fees for Super Plan and 0.14% performance fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan
	2017	9.4%	10.5%
	2018	10.1%	10.8%
	2019	6.3%	7.0%
	2020	-2.9%	-2.7%
	2021	22.4%	24.4%
	Compound average returns to 30 June 2021		
	5 years	8.6%	9.5%
	10 years	8.2%	9.0%
	Since inception	6.3%	7.3%
Asset allocations (Super Plan)	As at 30 June	2020	2021
	Cash	5%	2%
	Real estate	11%	13%
	Australian shares	34%	28%
	International shares	33%	42%
	Growth alternatives	17%	15%

Single-asset class investment options

Investment option name	Cash			Fixed Income		
Risk level¹	2 – Low			5 – Medium to high		
Investment return objective	Aims to: <ul style="list-style-type: none"> provide members with capital stability through investments in deposits, money market and fixed income securities match the performance of the Bloomberg AusBond Bank Bill Index (before fees and after tax) over rolling one-year periods. 			Aims to: <ul style="list-style-type: none"> provide members with income and capital stability through investment in a diversified portfolio of fixed income and diversified credit investments (including mortgages) outperform (before fees and after tax), over rolling three-year periods, a composite benchmark⁹ reflecting the underlying fund's target allocation at any time to the various asset types. 		
Investment guidelines	Cash	100%		Australian fixed income	0-100%	
				Diversified credit (including mortgages)	0-100%	
				International fixed income ¹⁰	0-100%	
				Cash ⁴	0-20%	
Option size as at 30 June 2021	Super Plan:	\$21.3 million		Super Plan:	\$6.1 million	
	Pension Plan:	\$2.0 million		Pension Plan:	\$1.1 million	
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	Super Plan:	0.18%		Super Plan:	1.43%	
	Pension Plan:	0.18%		Pension Plan:	1.40%	
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2017	0.2%	0.4%	2017	1.1%	1.5%
	2018	0.2%	0.2%	2018	0.6%	0.8%
	2019	0.7%	1.0%	2019	3.5%	4.0%
	2020	0.1%	0.3%	2020	0.9%	1.0%
	2021	-0.2%	-0.2%	2021	1.2%	1.5%
	Compound average returns to 30 June 2021			Compound average returns to 30 June 2021		
	5 years	0.1%	0.2%	5 years	1.3%	1.6%
	10 years	0.5%	0.7%	10 years	2.2%	2.6%
	Since inception	2.1%	2.6%	Since inception	4.0%	4.8%
Asset allocations (Super Plan)	As at 30 June	2020	2021	As at 30 June	2020	2021
	Cash	100%	100%	Australian fixed income	19%	18%
				Diversified credit (including mortgages)	45%	56%
				International fixed income	26%	22%
				Cash	10%	4%

Investment option name	Real Estate			Australian Share		
Risk level ¹	7 – Very high			6 – High		
Investment return objective	Aims to: <ul style="list-style-type: none"> provide members with income and long-term growth through investment in a diversified portfolio of Australian and international real estate investment trusts and unlisted property trusts⁸ outperform (before fees and after tax), over rolling three-year periods, a composite benchmark¹¹ reflecting the underlying fund's target allocation at any time to the various asset types. 			Aims to: <ul style="list-style-type: none"> provide members with long-term growth and income through investment in a diversified portfolio of Australian shares¹² outperform the S&P/ASX 300 Accumulation Index (before fees and after tax) over rolling three-year periods. 		
Investment guidelines	Australian real estate	0-100%		Australian shares ¹²	80-100%	
	International real estate ¹⁰	0-100%		Cash ⁴	0-20%	
	Cash ⁴	0-20%				
Option size as at 30 June 2021	Super Plan:	\$9.5 million		Super Plan:	\$35.2 million	
	Pension Plan:	\$0.6 million		Pension Plan:	\$4.9 million	
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	Super Plan:	1.59%		Super Plan:	1.88%	
	Pension Plan:	1.54%		Pension Plan:	1.86%	
				(includes 0.19% performance fees for Super Plan and 0.19% performance fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2017	-1.6%	-1.1%	2017	9.5%	10.9%
	2018	9.4%	10.1%	2018	10.8%	11.8%
	2019	11.9%	13.2%	2019	3.6%	4.4%
	2020	-12.4%	-13.5%	2020	-6.6%	-7.2%
	2021	19.2%	21.2%	2021	25.0%	28.1%
	Compound average returns to 30 June 2021			Compound average returns to 30 June 2021		
	5 years	4.5%	5.1%	5 years	7.8%	8.9%
	10 years	7.4%	8.8%	10 years	7.4%	8.3%
	Since inception	5.2%	5.9%	Since inception	8.0%	9.2%
Asset allocations (Super Plan)	As at 30 June	2020	2021	As at 30 June	2020	2021
	Australian real estate	43%	50%	Australian shares	90%	95%
	International real estate	46%	44%	International shares	0%	0%
	Cash	11%	6%	Cash	10%	5%

Investment option name	Limited Share			International Share		
Risk level¹	6 – High			6 – High		
Investment return objective	Aims to: <ul style="list-style-type: none"> provide members with long-term growth and income through investment in quality industrial and resource shares and other securities outperform the S&P/ASX 300 Accumulation Index (before fees and after tax) over rolling three-year periods. 			Aims to: <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio of international shares¹⁵ outperform the MSCI All Country World Index – Net Return (unhedged in AUD) (before fees and tax) over rolling three-year periods. 		
Investment guidelines	Australian shares ¹³	90-100%		International shares ^{10,14}	80-100%	
	Cash ⁴	0-10%		Cash ⁴	0-20%	
Option size as at 30 June 2021	Super Plan:	\$12.7 million		Super Plan:	\$21.1 million	
	Pension Plan:	\$1.9 million		Pension Plan:	\$2.1 million	
Total annual percentage-based fees and estimated costs for year ended 30 June 2021	Super Plan:	1.52%		Super Plan:	1.45%	
	Pension Plan:	1.56%		Pension Plan:	1.42%	
				(includes -0.17% performance fees for Super Plan and -0.17% performance fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2017	13.2%	15.6%	2017	14.4%	16.4%
	2018	10.6%	11.9%	2018	15.1%	16.4%
	2019	4.3%	5.5%	2019	9.3%	13.1%
	2020	-14.2%	-14.2%	2020	4.6%	4.7%
	2021	36.0%	38.0%	2021	26.9%	29.6%
	Compound average returns to 30 June 2021			Compound average returns to 30 June 2021		
	5 years	8.7%	9.9%	5 years	13.7%	15.6%
	10 years	8.4%	9.5%	10 years	11.2%	12.8%
	Since inception	7.8%	9.1%	Since inception	5.3%	6.1%
Asset allocations (Super Plan)	As at 30 June	2020	2021	As at 30 June	2020	2021
	Australian shares	92%	95%	International shares	92%	96%
	International shares	0%	0%	Cash	8%	4%
	Cash	8%	5%			

Footnotes to investment options profile tables

- 1 The risk level represents the Standard Risk Measure (SRM), which is based on industry guidance to allow members 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 a member 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.

Members 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 by the investment managers. Any changes to SRMs at any time will be available at our website.

- 2 Irrespective of the underlying fund name, which is reflected in the investment option name, the Trustee advises that this investment option has an SRM risk band rating of 5 (refer footnote 1 above).
- 3 The composite benchmarks comprise, as applicable to the various asset types in the underlying funds:
- cash – Bloomberg AusBond Bank Bill Index
 - fixed income – 50% Bloomberg AusBond Composite 0+ Yr Index and 50% Bloomberg Barclays Global Aggregate Index (hedged in AUD)
 - diversified credit – Bloomberg AusBond Bank Bill Index
 - income alternatives – Bloomberg AusBond Bank Bill Index plus 2%
 - real estate – 50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Developed Index – Net Return (unhedged in AUD)
 - Australian shares – S&P/ASX 300 Accumulation Index
 - international shares – MSCI All Country World Index – Net Return (unhedged in AUD)
 - growth alternatives – Bloomberg AusBond Bank Bill Index plus 5%.
- 4 Cash may also be held for liquidity in the underlying funds, so the overall cash allocation may be greater than that stated.
- 5 Fixed income includes Australian fixed income, diversified credit and international fixed income – refer to the 'Investment guidelines' for the 'Fixed Income' investment option in the investment options tables for further details.
- 6 The currency exposure of international assets in the underlying funds is monitored and hedging strategies may be implemented (using derivatives) with the aim of reducing the impact of adverse currency movements.
- 7 Real estate includes both Australian and international assets – refer to the 'Investment guidelines' for the 'Real Estate' investment option in the investment options tables for further details.
- 8 Also permitted to be included are company shares, unit trusts and other securities that are expected to have a return related to property investments or management as their dominant underlying assets.
- 9 The composite benchmark comprises:
- Australian fixed income – Bloomberg AusBond Composite 0+ Yr Index
 - diversified credit – Bloomberg AusBond Bank Bill Index
 - international fixed income – Bloomberg Barclays Global Aggregate Index (hedged in AUD).
- 10 The currency exposure of international assets is monitored and hedging strategies may be implemented (using derivatives) with the aim of reducing the impact of adverse currency movements.
- 11 The composite benchmark comprises:
- Australian real estate – S&P/ASX 300 A-REIT Accumulation Index
 - international real estate – FTSE EPRA/NAREIT Developed Index – Net Return (unhedged in AUD).
- 12 Securities listed on overseas exchanges may be purchased subject to limits agreed by the Trustee.
- 13 The underlying fund's investment universe allows it to invest, directly or indirectly, in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks outside Australia is limited to 20%.
- 14 Securities listed on the Australian Securities Exchange may be purchased subject to limits agreed by the Trustee.

Underlying investments

The following table provides details of the Fund's underlying investments in unlisted managed investment schemes that had a value in excess of 5% of the Fund's total assets as at 30 June 2021. Totals may vary slightly to the sum of the various components due to roundings.

Underlying investments	Value of investment (\$m)	Percentage of total Fund assets
Perpetual Private International Share Fund	\$416.577	32.72%
Perpetual Private Australian Share Fund	\$301.759	23.70%
Perpetual Growth Alternatives Pool Fund	\$125.630	9.87%
Perpetual Private Credit Pooled Fund	\$102.661	8.06%
Perpetual Private Real Estate Fund	\$94.421	7.42%
Perpetual Private Duration Fixed Income Fund	\$66.621	5.23%
Sub-total	\$1,107.669	87.00%
All other	\$165.544	13.00%
Total Fund assets	\$1,273.213	100.00%

Fund information

The Fund

The Fund is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (SIS). The Trustee operates, and intends to continue to operate, the Fund as a complying superannuation fund.

The Fund's growth

The Fund commenced in May 1989. The number of members and participating employers and funds under administration as at 30 June 2021 are shown in the following table.

	Super Plan	Pension Plan	Total
Number of personal members	2,919	993	3,912
Number of employer sponsored members	1,363	n/a	1,363
Total members	4,282	993	5,275
Participating employers	717	n/a	717
Funds under administration (\$m)	\$663.5	\$590.1	\$1,253.6

Indemnity insurance

The Fund is covered by professional indemnity insurance under arrangements implemented by the Trustee's parent company, Perpetual Limited.

Trust Deed

The Trust Deed dated 1 March 1989 (as amended) is a legal document that sets out the provisions governing the operation of the Fund and the rights and obligations of members and the Trustee. The Trustee is responsible for ensuring that the Fund operates according to the Trust Deed and the accompanying Rules, and that the Fund complies with all relevant laws.

Members may inspect the Trust Deed at any time at our website or by arrangement with us.

Inquiries and complaints

We're committed to providing you with the highest level of service and the Trustee has established procedures for dealing with any inquiries and complaints.

Inquiries

If you have an inquiry, you can either phone us on 1800 003 001 during business hours, email us at investments@perpetual.com.au or write to:

Client Services
Perpetual Select
GPO Box 4171
Sydney NSW 2001

Complaints

If you have a complaint about your investment in the Super Plan or Pension Plan or a Trustee decision that affects you, you should take one of the following steps:

1. Contact one of our Client Services representatives on 1800 003 001 and tell them about your complaint.
2. Email your complaint to MyComplaint@perpetual.com.au.
3. Complete our online complaints submission form available at www.perpetual.com.au/privacy-policy/making-a-complaint.
4. Put your complaint in writing and mail it to:
Client Services – Complaints
Perpetual Select
GPO Box 4171
Sydney NSW 2001

We will endeavour to respond to your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 90 days (or 45 days for complaints we receive on or after 5 October 2021, unless these are complaints made about the proposed distribution of a superannuation death benefit, where we will respond by no later than 90 days after the end of the 28 day statutory period available to potential beneficiaries to raise their objections about a proposed superannuation death benefit distribution). If we have not had a reasonable opportunity to respond to your complaint before the maximum response timeframe ends, we will write to you to let you know.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard or have received our response and are not satisfied with the resolution that has been proposed, our Client Advocacy Team may be able to assist you. Please see www.perpetual.com.au/about/client-advocacy for information on how to get in touch with our Client Advocacy Team members.

If, at any time you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to deal with complaints from consumers and small businesses about financial services firms. AFCA service is free of charge to you.

Contact details for AFCA are as follows:

Phone 1800 931 678

Email info@afca.org.au

Website www.afca.org.au

Mail Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Superannuation benefit transfers to the ATO

We are required by law to transfer the following superannuation benefits to the ATO:

- inactive low-balance accounts
- lost member accounts
- unclaimed benefits.

After payment to the ATO, we are discharged from any further liability for payment of the benefit.

You can consolidate superannuation benefits transferred to the ATO into an active superannuation account through your myGov account. Alternatively, the ATO is required to pay any superannuation amounts it holds into an active superannuation account held by the member where the consolidated balance will be \$6,000 or more.

Interest will be paid at a rate equivalent to CPI on all superannuation benefit amounts reclaimed from the ATO.

Inactive low-balance accounts

An inactive low-balance account is an account with a balance of less than \$6,000 where the member has had no contributions for 16 months and where the member has **not** done at least one of the following:

- made changes to their investment option(s)
- elected to maintain or made changes to their insurance cover
- made or amended a binding beneficiary nomination
- confirmed that they want their account to remain with their super fund by providing the fund with a written notice at least 30 days before the relevant reporting date (see below for details).

Inactive low-balance accounts must be identified as at 30 June and 31 December each year and reported to the ATO on the following 31 October and 30 April respectively. The balances of those accounts remaining inactive at that time must then be transferred to the ATO.

Lost member accounts

You will be considered a lost member in the Fund if:

- you have been a member of the Fund for longer than two years, you are an inactive standard employer-sponsored member and there have been no contributions or rollovers for you within the past five years or
- you are uncontactable because:
 - either:
 - the Fund has never had an address (whether non-electronic or electronic) for you
 - or**
 - at least one written communication (whether non-electronic or electronic) has been sent to your last known address (or addresses) and we believe, on reasonable grounds (eg communication returned unclaimed), that you can no longer be contacted at any address known to us **and**

- you have not contacted us (whether by written communication or otherwise) within the last 12 months **and**
- you have not accessed details about your interest in the Fund from any electronic facility we have provided within the last 12 months **and**
- we have not received a contribution or rollover for you within the last 12 months.

Small or insoluble lost member accounts

A lost member account is also taken to be unclaimed super money if either:

- the balance of the lost member account is less than \$6,000 (small lost member account) or
- the lost member account has been inactive for 12 months and we are satisfied that it will never be possible to pay the benefit to the member (insoluble lost member account).

Unclaimed benefits

Your superannuation may be treated as unclaimed money if you:

- have reached age 65 and we have not received an amount on your behalf for at least two years and five years have passed since we last had contact with you or
- were a temporary resident who has permanently departed Australia and you did not claim your benefits within six months of the later of the date of your departure or your visa ceasing to be effective (except if you are an Australian or New Zealand citizen). We will make all reasonable efforts to contact you in such circumstances, however, it is important that you notify us of any changes to your details.

Abridged financial information

The general purpose financial report for the Fund has been prepared in accordance with the requirements of the Trust Deed, the accounting and disclosure requirements of AASB 1056 Superannuation Entities, other applicable accounting standards, the requirements of SIS and other relevant legislative requirements.

Abridged financial statements are provided in Appendix 1 for the information of members. Copies of the full audited financial statements and auditor's report are available upon request.

Allocation of earnings

All income, including realised and unrealised capital gains, losses and expenses, are brought to account for each investment option and are fully reflected in the unit price of that investment option. Provision for income tax, as appropriate, is allowed for in the unit price for each investment option.

Interest earned on application and withdrawal accounts

Application money and proceeds of withdrawal requests (including pension payments) are held in trust accounts before they're processed. A member of the Perpetual Group retains any interest earned on these accounts.

Suspension of applications, switches and withdrawals

In certain emergency situations which impact on the effective and efficient operation of a market for an asset held by an investment option or in circumstances where we otherwise consider it to be in the interests of members, we may choose to suspend the processing of all applications, switches or withdrawals for that investment option. This may include situations where:

- we cannot properly ascertain the value of an asset held by the investment option
- an event occurs that results in us not being able to reasonably acquire or dispose of assets held by the investment option
- an underlying fund suspends applications and withdrawals
- the law otherwise permits us to delay or restrict processing applications or withdrawals.

Applications, withdrawals or switch requests received during the suspension will be processed using the entry and/or exit price applicable when the suspension is lifted.

Appendix 1: Abridged financial statements

Income statement

	2021 \$,000	2020 \$,000
Revenue		
Distribution income	70,713	47,901
Interest income	30	201
Net changes in fair value of investments	148,376	(70,323)
Other income	3,293	8,307
Total revenue	222,412	(13,914)
Expenses		
Investment expenses	2,534	5,916
Administration expenses	2,470	1,564
Other operating expenses	10	251
Total expenses	5,014	7,731
Results from superannuation activities before income tax	217,398	(21,645)
Income tax benefit/(expense)	(10,600)	4,366
Results from superannuation activities after income tax	206,798	(17,279)
Net benefits allocated to members	(206,515)	18,542
Profit/(loss) after income tax	283	1,263

Statement of financial position

	2021 \$,000	2020 \$,000
Assets		
Cash and cash equivalents	26,331	28,278
Investments	1,194,837	1,261,680
Distributions receivable	51,469	33,735
Interest receivable	-	1
Current tax assets	-	-
Other receivables	576	6,784
Total assets	1,273,213	1,330,478
Liabilities		
Payables	781	2,208
Current tax liabilities	5,688	6,188
Deferred tax liabilities	13,177	5,439
Total liabilities (excluding member benefits)	19,646	13,835
Net assets available for member benefits	1,253,567	1,316,643
Member benefits	(1,253,284)	(1,315,380)
Total net assets	283	1,263
Equity		
Unallocated surplus/(deficit)	283	1,263
Total equity	283	1,263

Statement of changes in member benefits

	2021 \$,000	2020 \$,000
Member benefits as at beginning of year	1,315,380	1,453,795
Contributions – employer	22,937	37,715
Contributions – member	10,526	7,406
Transfers from other superannuation funds	7,504	12,843
Government co-contributions	22	35
Tax on contributions	(3,429)	(5,414)
Net after tax contributions	37,560	52,585
Benefit payments and transfers out	(116,478)	(172,904)
Successor fund transfers	(191,445)	-
Insurance premiums deducted from members' accounts	(2,462)	(3,452)
Death and disability insurance benefits applied to members' accounts	2,951	1,300
Amount allocated to members from equity	1,263	2,598
Benefits allocated to members' accounts		
Net investment income	208,985	(16,978)
Administration fees	(2,470)	(1,564)
Net benefits allocated to members' accounts	206,515	(18,542)
Member benefits as at end of year	1,253,284	1,315,380

Statement of changes in equity

	2021 \$,000	2020 \$,000
Opening balance	1,263	2,598
Profit/(loss) after income tax	283	1,263
Amount allocated to members	(1,263)	(2,598)
Closing balance	283	1,263

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