

PERPETUAL'S SELECT SUPERANNUATION FUND

Perpetual Select Super Plan
Perpetual Select Pension Plan
Perpetual MySuper

Annual Report

ANNUAL REPORT

YEAR ENDED 30 JUNE 2019

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)

Perpetual MySuper (MySuper)
MySuper product authorisation number 51068260563643
SPIN/USI PER0705AU

ISSUER AND TRUSTEE

Perpetual Superannuation Limited (Trustee)
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RSE L0003315

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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 2019 for members of 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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DIRECTORS' MESSAGE

Dear Member

On behalf of the Trustee of Perpetual's Select Superannuation Fund, we are pleased to present the Fund's Annual Report for the year ended 30 June 2019. The Fund consists of the following products:

- Perpetual Select Super Plan (Super Plan)
- Perpetual Select Pension Plan (Pension Plan)
- Perpetual MySuper (MySuper).

This Report should be read in conjunction with your Annual Statement for the year ended 30 June 2019, which details your specific benefit entitlements under the Fund.

This Report brings you up to date with relevant details relating to the Fund (including the investment options available to members) and recent product changes (see pages 4-5 for details). It also provides information on important changes in the superannuation environment (see pages 2-3 for details).

The Super Plan and Pension Plan enable you to access a broad range of investment options that have been selected, diversified and blended by our Select investment team in keeping with our prudent investment philosophy. Each investment option's risk and return profile has been carefully constructed so you can choose the right one to suit your own circumstances and objectives.

MySuper is designed primarily for (but not limited to) employees who have not nominated a superannuation fund to receive compulsory contributions from their employer. MySuper provides a single diversified investment strategy and default insurance cover.

If you are a Super Plan or MySuper member and have other superannuation accounts you may like to consider consolidating them into your Super Plan or MySuper account, as applicable. This should make it easier to keep track of your superannuation and may save you on total fees and costs. You can download a Transfer Authority form from our website at www.perpetual.com.au/forms or phone us on 1800 003 001 to request a form. We recommend you speak with your financial adviser about whether this is appropriate for you.

Thank you for entrusting us to look after your superannuation and retirement savings.

Directors, 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 2019/2020 financial year.

LIMIT/THRESHOLD	2018/2019	2019/2020
Concessional contributions cap	\$25,000 ¹	\$25,000 ¹
Non-concessional contributions cap	\$100,000 ²	\$100,000 ²
Government co-contribution ³ :		
Lower income threshold	\$37,697	\$38,564
Higher income threshold	\$52,697	\$53,564
Limit on capital gains tax concession on disposal of eligible assets by qualifying small business owners ⁴	\$1,480,000	\$1,515,000
Low-rate cap ⁵ for the taxable component of lump sum benefit payments where members have reached their preservation age but before age 60	\$205,000	\$210,000
Income stream total account balance limit ⁶	\$1,600,000	\$1,600,000

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	2018/2019 financial year: First \$205,000 ⁵ is tax-free and the balance taxed at 15% ¹⁰
		2019/2020 financial year: First \$210,000 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. The 2019/2020 financial year is the first time that additional concessional contributions can be made.
- The non-concessional contributions cap is four times the general concessional contributions cap. Members with a total superannuation balance of \$1.6 million or more on 30 June of the previous financial year will not be eligible to make non-concessional contributions in that financial year. Members under age 65 will be eligible to bring forward two or three years of non-concessional contributions depending on their total superannuation balance.
- 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 \$1.6 million 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.
- 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

INTRODUCTION OF 'PROTECTING YOUR SUPER' INITIATIVES

EXIT FEES

From 1 July 2019, a ban on exit fees applies for all super accounts.

ANNUAL FEE CAP

From 1 July 2019, an annual fee cap applies if your account balance is less than \$6,000 at the end of the financial year or upon closure.

Please refer to 'Annual fee cap' on page 4 for further information.

TRANSFER OF INACTIVE LOW-BALANCE ACCOUNTS TO THE ATO

From 1 July 2019, inactive low-balance accounts must be transferred to the ATO.

Please refer to 'Inactive low-balance accounts' on page 19 for further information.

CESSATION OF INSURANCE COVER ON INACTIVE ACCOUNTS

From 1 July 2019, insurance cover must be cancelled if your account remains inactive for a continuous period of 16 months unless you have elected in writing to keep your cover. For this purpose, an account is deemed 'inactive' if it has not received any contribution (including insurance benefit or transfer/rollover from another superannuation fund) for a continuous period of 16 months.

We will notify you once we have not received a contribution for 9, 12 and 15 months. If you would like to maintain your insurance cover, **before** your account becomes inactive for a continuous period of 16 months, you must do one of the following:

- make a contribution to make your account 'active'
- set up a savings plan to make regular personal contributions to your account so that your account will not be deemed to be inactive in the future
- complete and return the 'Insurance election form', which we'll also provide with our notification, to permanently opt-in for insurance cover (unless you subsequently advise otherwise).

Otherwise, we are required to cancel your insurance cover after the end of the period for which premiums have been paid once your account becomes inactive for a continuous period of 16 months.

Your cover will be automatically reinstated and treated as if it had never ceased if we receive a request from you to do so within 60 days of cessation, subject to the payment of any backdated premiums. After this time, you will need to reapply and be accepted for any insurance cover.

OPT-IN INSURANCE

In its 2018 Budget, the Government announced an extensive package of reforms as part of its 'Protecting Your Super' package. These included making insurance within superannuation opt-in for accounts with balances of less than \$6,000 and new accounts for members under 25 years of age, with effect from 1 July 2019.

The requirement for superannuation fund trustees to offer insurance to members on an opt-in (rather than opt-out) basis will now apply from 1 April 2020.

FEDERAL BUDGET 2019-20 - PROPOSED CHANGES AFFECTING SUPERANNUATION

On 2 April 2019, 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.

CHANGES TO THE WORK TEST AND 'BRING FORWARD' RULES FOR SUPERANNUATION CONTRIBUTIONS

Currently, a person aged 65 to 74 can only make personal contributions or have voluntary contributions made by their employer on their behalf (eg salary sacrifice) 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.

From 1 July 2020, persons aged 65 and 66 will also be eligible for both concessional and non-concessional voluntary contributions without meeting the work test. This change will align the age from which the work test applies with the eligibility age for the Age Pension, which is scheduled to reach age 67 from 1 July 2023.

Access to the 'bring forward' arrangements, which currently allow those under age 65 to make up to three years' worth of non-concessional contributions (which are otherwise capped at \$100,000 a year) in a single year, will also be extended to those aged 65 and 66.

SPOUSE CONTRIBUTIONS

Currently, members aged 70 years or over are ineligible to receive contributions made by their spouse on their behalf. The Government has indicated that, from 1 July 2020, it will increase the age limit for spouse contributions to age 74.

PRODUCT UPDATE

PRODUCT DISCLOSURE STATEMENTS (PDS)

SUPER PLAN AND PENSION PLAN

The PDS for Perpetual Select Super Plan and Pension Plan was reissued on 30 June 2019.

MYSUPER

The PDS for Perpetual MySuper was reissued on 30 June 2019.

You can download the current PDSs (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.

FEES AND COSTS

CONTRIBUTION FEES

Some Super Plan members who joined before 1 July 2014 may have been on grandfathered fee arrangements that included contribution fees. Since 1 October 2018, any contribution fees have ceased being charged on all Super Plan accounts.

BASE INVESTMENT FEE REDUCTION - SUPER PLAN AND PENSION PLAN - CASH INVESTMENT OPTION

The base investment fee for the Cash investment option was reduced from 1.49% to 0.50% pa effective 1 January 2019.

INDEXATION OF FEE AMOUNTS

The following amounts have been increased in line with cumulative increases in the Consumer Price Index (CPI).

ADMINISTRATION FEES

SUPER PLAN AND PENSION PLAN

With effect from 1 July 2019, the administration fee for the Super Plan and Pension Plan has increased from \$10.28 per month (\$123.36 annually) to \$10.42 per month (\$125.04 annually).

MYSUPER

The dollar-based component of the administration fee (\$5.00 per month/\$60.00 annually) for MySuper is unchanged.

INVESTMENT FEE - BASE FEE REBATES (SUPER PLAN AND PENSION PLAN ONLY)

A rebate on the base fee is available to Super Plan and Pension Plan members with large account balances. From 1 July 2019, 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) over the annual calculation period and is applied to your account(s) at 30 June each year.

The rebate thresholds for the years ending 30 June 2019 and 30 June 2020 are shown in the following table (GST generally doesn't apply to rebates).

BASE FEE REBATE FOR THE YEARS ENDING 30 JUNE 2019 AND 30 JUNE 2020

ACCOUNT BALANCE		BASE FEE REBATE (% PA)
YEAR ENDING		
30 JUNE 2019	30 JUNE 2020	
First \$276,300	First \$280,000	Nil
Next \$645,300	Next \$653,900	0.50%
Over \$921,600	Over \$933,900	1.15%

From 1 July 2019, to qualify for the rebate, you need to have:

- a balance in your Super Plan and/or Pension Plan account(s) as at 30 June **and**
- an average daily balance over the annual calculation period above the relevant qualifying level.

You won't receive any rebate if:

- you fully withdraw your investment from your Super Plan and/or Pension Plan account(s) before 30 June **or**
- your average daily balance over the annual calculation period is below the relevant qualifying level.

If you have more than one Super Plan and/or Pension Plan account, the rebate is calculated and applied separately for each account.

EXIT FEES

From 1 July 2019, no exit fees will be charged on any withdrawals from the Super Plan or Pension Plan. The exit fee on MySuper was previously removed from 1 April 2018.

ANNUAL FEE CAP

From 1 July 2019, if your account balance is less than \$6,000 at the end of the financial year or upon closure, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

LATEST INFORMATION ABOUT FEES AND COSTS

The current PDSs include all direct and indirect annual fees and estimated costs (based on the previous financial year) as at the date of the PDS. The following details for subsequently completed financial years are published annually on our website:

- investment fees
- administration fees
- estimated indirect cost ratio
- estimated transactional and operational costs.

APRA LEVY

It is estimated that the application of the annual APRA levy to the Fund will result in a cost of approximately 0.006% for each of the Fund's investment options (except MySuper - Balanced Growth) when charged as an expense recovery during the 2019/2020 financial year.

REVIEW OF MYSUPER

The Trustee is assessing the MySuper market to determine whether a successor fund transfer to another MySuper provider is in the best interests of Perpetual MySuper members. When the Trustee has a further update, members will be notified, in due course, of any material impact to their Perpetual MySuper account.

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 on pages 8-16 of this Report, including:

- risk level
- investment return objective
- investment guidelines
- option size
- total annual investment fees and estimated indirect 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.

INVESTMENT PERFORMANCE

Investment performance has been calculated net of any investment fees and estimated indirect costs and (for the Super Plan and MySuper) income tax of up to 15%. No allowance has been made for the member administration fee or (for Super Plan and Pension Plan members only) any investment fee rebates. 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 on pages 8-14 are based on the Super Plan, which may in some cases differ marginally from asset allocations for the Pension Plan.

RISK LEVELS

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 on page 16 for further information about SRMs.

The latest SRMs for all of the investment options are reflected in the current PDSs and the investment options tables on pages 8-15. 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.

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.

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.

SELECT SPECIALIST INVESTMENT MANAGERS FOR THE SUPER PLAN AND PENSION PLAN INVESTMENT OPTIONS AS AT 30 JUNE 2019

ASSET CLASS	INVESTMENT MANAGER(S)
Cash and enhanced cash	Perpetual Investments
Fixed income	Macquarie Investment Management Perpetual Investments PIMCO Western Asset
Diversified credit	AllianceBernstein Australia Limited Perpetual Investments
Real estate	Renaissance Asset Management Resolution Capital
Australian shares	Cooper Investors Kaplan Funds Management Perpetual Investments ¹ Renaissance Asset Management
International shares	Artisan Partners Barrow, Hanley, Mewhinney & Strauss Hardman Johnston Global Advisers RWC Partners SouthernSun Asset Management Sustainable Growth Advisers
Alternative assets	Perpetual Investments ²

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

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

Perpetual Investments is the sole investment manager for the MySuper – Balanced Growth investment option.

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.

CHANGE TO ENVIRONMENTAL, SOCIAL AND ETHICAL FACTORS AND LABOUR STANDARDS CONSIDERATIONS

Since 31 January 2019, for Australian and international shares in the Super Plan and Pension Plan, Perpetual Investments (as the responsible entity of the underlying funds) will neither invest in nor choose specialist investment managers investing in companies that are manufacturers of cigarettes and other tobacco products.

FEES AND COSTS

You should refer to the relevant current PDS and any updated information provided on our website for the most recent details relating to annual fees and costs.

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 September 2019 are as follows.

INVESTMENT OPTION	BUY/SELL SPREAD
Conservative	0.16%/0.00%
Diversified	0.24%/0.00%
Balanced	0.26%/0.00%
Growth	0.28%/0.00%
High Growth	0.30%/0.00%
Geared High Growth ³	0.40%/0.00%
Cash	0.00%/0.00%
Fixed Income	0.13%/0.00%
Real Estate	0.40%/0.00%
Australian Share	0.30%/0.00%
Geared Australian Share ³	0.60%/0.00%
Limited Share	0.30%/0.00%
International Share	0.35%/0.00%
Capital Guarantee	0.00%/0.00%
MySuper – Balanced Growth	0.34%/0.00%

³ Super Plan only.

Visit our website (or contact us) for details of the current buy/sell spreads at any time.

SUPER PLAN/PENSION PLAN MULTI-ASSET CLASS INVESTMENT OPTIONS

INVESTMENT OPTION NAME	CONSERVATIVE ²			DIVERSIFIED		
Risk level ¹	4 – Medium			5 – Medium to 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 fixed income and cash and enhanced cash investments Super Plan – outperform the CPI by 1.5% (before fees and after tax) over rolling three-year periods Pension Plan – outperform the CPI by 2.5% (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 2.0% (before fees and after tax) over rolling four-year periods Pension Plan – outperform the CPI by 3.0% (before fees and after tax) over rolling four-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 and enhanced cash ⁴	5-30%		Cash and enhanced cash ⁴	0-25%	
	Fixed income ^{5,6}	10-45%		Fixed income ^{5,6}	10-40%	
	Diversified credit	0-30%		Diversified credit	0-25%	
	Income alternatives	0-10%		Income alternatives	0-10%	
	Real estate ^{6,7,8}	0-10%		Real estate ^{6,7,8}	5-15%	
	Australian shares	5-20%		Australian shares	5-25%	
	International shares ⁶	5-20%		International shares ⁶	5-25%	
	Growth alternatives	0-15%		Growth alternatives	0-20%	
Option size as at 30 June 2019	Super Plan:	\$25.9 million		Super Plan:	\$27.8 million	
	Pension Plan:	\$36.3 million		Pension Plan:	\$32.4 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	2.13%		Super Plan:	2.27%	
	Pension Plan:	2.14%		Pension Plan:	2.27%	
	(includes 0.05% performance-related fees for Super Plan and 0.05% performance-related fees for Pension Plan charged in underlying funds)			(includes 0.07% performance-related fees for Super Plan and 0.07% performance-related fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2015	4.8%	5.4%	2015	4.8%	5.5%
	2016	2.7%	3.1%	2016	2.6%	3.1%
	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%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	3.9%	4.5%	5 years	4.4%	5.1%
	10 years	5.1%	6.0%	10 years	n/a	n/a
	Since inception	4.9%	5.6%	Since inception	5.4%	6.2%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Cash and enhanced cash	11%	13%	Cash and enhanced cash	2%	7%
	Fixed income	22%	23%	Fixed income	20%	20%
	Diversified credit	22%	22%	Diversified credit	19%	20%
	Income alternatives	8%	8%	Income alternatives	5%	5%
	Real estate	4%	3%	Real estate	10%	7%
	Australian shares	14%	13%	Australian shares	16%	15%
	International shares	14%	13%	International shares	17%	16%
	Growth alternatives	5%	5%	Growth alternatives	11%	10%

You should refer to page 16 for details of footnotes.

INVESTMENT OPTION NAME	BALANCED			GROWTH		
Risk level ¹	5 – Medium to high			6 – High		
Investment return objective	Aims to: <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 2.5% (before fees and after tax) over rolling five-year periods Pension Plan – outperform the CPI by 3.5% (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. 			Aims to: <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 3.0% (before fees and after tax) over rolling five-to-ten-year periods Pension Plan – outperform the CPI by 4.0% (before fees and after tax) over rolling five-to-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 and enhanced cash ⁴	0-15%		Cash and enhanced cash ⁴	0-15%	
	Fixed income ^{5,6}	0-30%		Fixed income ^{5,6}	0-25%	
	Diversified credit	0-20%		Diversified credit	0-10%	
	Income alternatives	0-10%		Income alternatives	0-10%	
	Real estate ^{6,7,8}	5-15%		Real estate ^{6,7,8}	5-15%	
	Australian shares	10-35%		Australian shares	15-45%	
	International shares ⁶	10-35%		International shares ⁶	15-45%	
	Growth alternatives	0-20%		Growth alternatives	0-20%	
Option size as at 30 June 2019	Super Plan:	\$165.6 million		Super Plan:	\$252.5 million	
	Pension Plan:	\$193.5 million		Pension Plan:	\$291.7 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	2.32%		Super Plan:	2.37%	
	Pension Plan:	2.32%		Pension Plan:	2.35%	
	(includes 0.07% performance-related fees for Super Plan and 0.08% performance-related fees for Pension Plan charged in underlying funds)			(includes 0.09% performance-related fees for Super Plan and 0.09% performance-related fees for Pension Plan charged in underlying funds)		
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2015	7.8%	8.5%	2015	8.5%	9.4%
	2016	2.7%	2.8%	2016	2.7%	2.7%
	2017	6.2%	7.2%	2017	7.9%	9.1%
	2018	7.3%	8.2%	2018	9.1%	10.1%
	2019	5.4%	6.0%	2019	5.7%	6.3%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	5.9%	6.5%	5 years	6.8%	7.5%
	10 years	6.9%	8.0%	10 years	7.6%	8.8%
	Since inception	5.9%	6.8%	Since inception	6.1%	6.6%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Cash and enhanced cash	5%	8%	Cash and enhanced cash	6%	6%
	Fixed income	12%	13%	Fixed income	5%	6%
	Diversified credit	12%	12%	Diversified credit	5%	5%
	Income alternatives	4%	4%	Income alternatives	3%	3%
	Real estate	9%	7%	Real estate	8%	8%
	Australian shares	24%	23%	Australian shares	31%	30%
	International shares	25%	23%	International shares	31%	31%
	Growth alternatives	9%	10%	Growth alternatives	11%	11%

You should refer to page 16 for details of footnotes.

INVESTMENT OPTION NAME	HIGH GROWTH			GEARED HIGH GROWTH (SUPER PLAN ONLY)		
Risk level ¹	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 a strong emphasis on Australian and international shares, as well as growth alternative investments Super Plan – outperform the CPI by 3.5% (before fees and after tax) over rolling ten-year periods Pension Plan – outperform the CPI by 4.5% (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. 			<p>Aims to:</p> <ul style="list-style-type: none"> provide members with enhanced long-term growth through borrowing (gearing) to invest in a diversified portfolio with a strong emphasis on Australian and international shares, as well as growth alternative investments 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 and enhanced cash ⁴	0-15%		Cash and enhanced cash ⁴	0-15%	
	Real estate ^{6,7,8}	5-20%		Real estate ^{6,7,8}	5-20%	
	Australian shares	20-45%		Australian shares	20-45%	
	International shares ⁶	20-45%		International shares ⁶	20-45%	
	Growth alternatives	0-25%		Growth alternatives	0-25%	
				Gearing level ⁹	0-50%	
Option size as at 30 June 2019	Super Plan:	\$69.8 million		Super Plan:	\$7.4 million	
	Pension Plan:	\$2.1 million				
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	2.43%		Super Plan:	3.73%	
	Pension Plan:	2.28%		(includes 0.14% performance-related fees charged in underlying funds)		
	(includes 0.10% performance-related fees for Super Plan and 0.07% performance-related fees for Pension Plan charged in underlying funds)					
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	
	2015	9.5%	10.3%	2015	11.8%	
	2016	1.7%	2.2%	2016	0.4%	
	2017	9.4%	10.5%	2017	14.2%	
	2018	10.1%	10.8%	2018	14.3%	
	2019	6.3%	7.0%	2019	7.1%	
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	7.3%	8.1%	5 years	9.4%	
	10 years	8.1%	9.2%	10 years	9.9%	
	Since inception	6.1%	7.2%	Since inception	2.4%	
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Cash and enhanced cash	7%	7%	Cash and enhanced cash	8%	7%
	Real estate	11%	11%	Real estate	11%	11%
	Australian shares	33%	34%	Australian shares	34%	34%
	International shares	34%	34%	International shares	33%	34%
	Growth alternatives	15%	14%	Growth alternatives	14%	14%
				Gearing level	32%	33%

You should refer to page 16 for details of footnotes.

SUPER PLAN/PENSION PLAN SINGLE-ASSET CLASS INVESTMENT OPTIONS

INVESTMENT OPTION NAME	CASH			FIXED INCOME		
Risk level¹	1 – Very low			3 – Low to medium		
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 benchmark¹⁰ 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 ¹¹		0-100%
				Cash ⁴		0-20%
Option size as at 30 June 2019	Super Plan:		\$14.2 million	Super Plan:		\$7.8 million
	Pension Plan:		\$2.2 million	Pension Plan:		\$1.8 million
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:		1.13%	Super Plan:		1.98%
	Pension Plan:		1.09%	Pension Plan:		1.98%
Investment performance (net earnings) % pa	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
(see page 6 for further information)	2015	0.8%	1.0%	2015	2.1%	2.6%
	2016	0.5%	0.7%	2016	2.3%	2.7%
	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%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	0.5%	0.7%	5 years	1.9%	2.3%
	10 years	1.2%	1.6%	10 years	3.3%	4.0%
	Since inception	2.5%	3.0%	Since inception	4.4%	5.3%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Cash	100%	100%	Australian fixed income	23%	23%
				Diversified credit (including mortgages)	46%	45%
				International fixed income	23%	22%
				Cash	8%	10%

You should refer to page 16 for details of footnotes.

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 trusts³ outperform (before fees and after tax), over rolling three-year periods, a composite benchmark¹² 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 shares¹³ 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 ¹³	80-100%	
	International real estate ¹¹	0-100%		Cash ⁴	0-20%	
	Cash ⁴	0-20%				
Option size as at 30 June 2019	Super Plan:	\$10.1 million		Super Plan:	\$31.8 million	
	Pension Plan:	\$0.8 million		Pension Plan:	\$6.1 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	2.16%		Super Plan:	2.23%	
	Pension Plan:	2.16%		Pension Plan:	2.24%	
	(includes 0.00% performance-related fees for Super Plan and 0.00% performance-related fees for Pension Plan charged in underlying funds)					
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2015	10.7%	13.8%	2015	4.8%	5.5%
	2016	14.8%	15.8%	2016	3.1%	3.5%
	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%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	8.9%	10.2%	5 years	6.3%	7.2%
	10 years	9.7%	12.2%	10 years	8.2%	9.4%
	Since inception	5.6%	6.4%	Since inception	8.2%	9.4%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Australian real estate	48%	49%	Australian shares	91%	86%
	International real estate	45%	46%	International shares	1%	0%
	Cash	7%	5%	Cash	8%	14%

You should refer to page 16 for details of footnotes.

INVESTMENT OPTION NAME	GEARED AUSTRALIAN SHARE (SUPER PLAN ONLY)			LIMITED SHARE		
Risk level ¹	7 – Very high			6 – High		
Investment return objective	Aims to: <ul style="list-style-type: none"> provide members with enhanced long-term growth through borrowing (gearing) to invest in a diversified portfolio of Australian shares¹³ 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 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. 		
Investment guidelines	Australian shares ¹³	80-100%		Australian shares ¹⁴	90-100%	
	Cash ⁴	0-20%		Cash ⁴	0-10%	
	Gearing level ⁹	0-60%				
Option size as at 30 June 2019	Super Plan:	\$3.7 million		Super Plan:	\$13.0 million	
				Pension Plan:	\$2.8 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	4.64%		Super Plan:	2.13%	
	(includes 0.00% performance-related fees charged in underlying funds)			Pension Plan:	2.16%	
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan		Year ended 30 June	Super Plan	Pension Plan
	2015	4.6%		2015	4.4%	5.0%
	2016	1.1%		2016	-1.5%	-1.3%
	2017	15.0%		2017	13.2%	15.6%
	2018	17.8%		2018	10.6%	11.9%
	2019	2.8%		2019	4.3%	5.5%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	8.1%		5 years	6.1%	7.2%
	10 years	10.3%		10 years	9.5%	11.1%
	Since inception	2.7%		Since inception	8.0%	9.4%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	Australian shares	90%	92%	Australian shares	93%	96%
	International shares	1%	0%	International shares	1%	0%
	Cash	9%	8%	Cash	6%	4%
	Gearing level	50%	50%			

You should refer to page 16 for details of footnotes.

INVESTMENT OPTION NAME	INTERNATIONAL SHARE			CAPITAL GUARANTEE (CLOSED TO NEW MEMBERS)		
Risk level ¹	6 – High			1 – Very low		
Investment return objective	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. 			Aims to provide members with returns and security through investment in a deposit or product issued by an Approved Deposit taking Institution (ADI) or cash funds, or other pooled structured funds that are supported by a guarantee.		
Investment guidelines	International shares ^{11,15}	80-100%		Bank deposits or cash funds supported by a guarantee	100%	
	Cash ⁴	0-20%				
Option size as at 30 June 2019	Super Plan:	\$17.2 million		Super Plan:	\$8.3 million	
	Pension Plan:	\$1.1 million		Pension Plan:	\$0.4 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	Super Plan:	2.27%		Super Plan:	1.55%	
	Pension Plan:	2.31%		Pension Plan:	1.54%	
	(includes 0.09% performance-related fees for Super Plan and 0.09% performance-related fees for Pension Plan charged in underlying funds)					
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	Super Plan	Pension Plan	Year ended 30 June	Super Plan	Pension Plan
	2015	16.5%	18.9%	2015	0.7%	1.0%
	2016	-1.0%	-1.3%	2016	0.4%	0.7%
	2017	14.4%	16.4%	2017	0.2%	0.2%
	2018	15.1%	16.4%	2018	0.1%	0.1%
	2019	9.3%	13.1%	2019	0.4%	0.4%
	Compound average returns to 30 June 2019			Compound average returns to 30 June 2019		
	5 years	10.7%	12.5%	5 years	0.4%	0.5%
	10 years	9.0%	10.7%	10 years	1.0%	1.4%
	Since inception	4.7%	5.5%	Since inception	3.1%	3.4%
Asset allocations (Super Plan)	As at 30 June	2018	2019	As at 30 June	2018	2019
	International shares	89%	90%	Cash	100%	100%
	Cash	11%	10%			

You should refer to page 16 for details of footnotes.

MYSUPER INVESTMENT OPTION

INVESTMENT OPTION NAME	MYSUPER – BALANCED GROWTH		
Risk level ¹	6 – High		
Investment return objective	Aims to: <ul style="list-style-type: none"> • provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments • outperform a composite benchmark reflecting its allocation to the various asset types over rolling three-year periods • provide a total return of 3% per annum above inflation over rolling 10 year periods, net of investment and administration fees and superannuation fund taxes. 		
Investment guidelines	Australian shares ¹⁶	10-50%	
	International shares	10-50%	
	Property	0-15%	
	Fixed income	0-45%	
	Cash and enhanced cash ¹⁷	0-30%	
	Other assets ¹⁸	0-30%	
Option size as at 30 June 2019	MySuper:	\$230.1 million	
Total annual investment fees and estimated indirect costs for year ended 30 June 2019	MySuper:	0.98%	
Investment performance (net earnings) % pa (see page 6 for further information)	Year ended 30 June	MySuper	
	2015	7.0%	
	2016	1.9%	
	2017	8.5%	
	2018	6.6%	
	2019	8.0%	
	Compound average returns to 30 June 2019		
	5 years	6.4%	
	10 years	n/a	
	Since inception	6.2%	
Asset allocations	As at 30 June	2018	2019
	Australian shares	29%	30%
	International shares	25%	28%
	Property	5%	6%
	Fixed income	13%	12%
	Cash and enhanced cash	11%	7%
	Other assets	17%	17%

You should refer to page 16 for details of footnotes.

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 4 (refer footnote 1 above).

3 The composite benchmarks comprise, as applicable to the various asset types in the underlying funds:

- cash and enhanced 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 on page 11 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 on page 12 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 gearing level is the underlying fund’s borrowings divided by the total gross value of its assets. It will depend on the present levels and future expectation of the underlying fund’s income (excluding franking credits) and its cost on borrowings. The maximum gearing limit may be exceeded for short periods of time due to extreme market volatility.

10 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).

11 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.

12 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).

13 Securities listed on overseas exchanges may be purchased subject to limits agreed by the Trustee.

14 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%.

15 Securities listed on the Australian Securities Exchange may be purchased subject to limits agreed by the Trustee.

16 The underlying fund may gain its exposure to Australian shares by investing in one or more underlying Australian share funds. Where the underlying fund invests in the Perpetual Australian Share Fund, that underlying fund invests primarily in shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 20% exposure to shares listed on or proposed to be listed on any recognised global exchange. The investment guidelines showing the underlying fund’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.

17 The underlying fund may invest in enhanced cash funds that allow gearing.

18 Other assets may include, but are 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 underlying fund’s diversification and may help reduce volatility.

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 2019. 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 Australian Share Fund	\$316.915	21.76%
Perpetual Private International Share Fund	\$302.939	20.80%
Perpetual Balanced Growth Fund No. 2	\$219.701	15.09%
Perpetual Growth Alternatives Pool Fund	\$115.694	7.94%
Perpetual Private Duration Fixed Income Fund	\$100.731	6.92%
Perpetual Private Credit Pooled Fund	\$97.582	6.70%
Perpetual Private Real Estate Fund	\$96.364	6.62%
Sub-total	\$1,249.926	85.83%
All other	\$206.467	14.17%
Total Fund assets	\$1,456.393	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 2019 are shown in the following table.

	SUPER PLAN	MYSUPER	PENSION PLAN	TOTAL
Number of personal members	3,807	2,912	1,122	7,841
Number of employer sponsored members	1,675	4,626	n/a	6,301
Total members	5,482	7,538	1,122	14,142
Participating employers	628	735	n/a	1,363
Funds under administration (\$m)	\$655.1	\$230.1	\$571.2	\$1,456.4

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.

POLICY COMMITTEES (MYSUPER ONLY)

For MySuper, a Policy Committee consisting of equal numbers of member and employer representatives is required to be established for each employer-sponsored arrangement of more than 49 standard employer-sponsored members with the same standard employer-sponsor, and for each employer-sponsored arrangement with up to 49 members if at least five members write to the Trustee. The Policy Committee must meet at least once a year to discuss various business such as investment returns, benefit design and administration issues.

For relevant employer sponsored arrangements in MySuper, elections are held at regular intervals to select member representatives for the Policy Committee. The sponsoring employer will advise all members in their plan the names of all Policy Committee members for the ensuing period (including employer appointed representatives) shortly after the completion of each election process.

INQUIRIES AND COMPLAINTS

The Trustee has established procedures for dealing with member inquiries and complaints. If you have an inquiry or a complaint, you can either phone us on 1800 003 001 during business hours (Sydney time) or write to:

Client Services
Perpetual Select
GPO Box 4171
Sydney NSW 2001

We will endeavour to respond to your inquiry within 30 days and must respond to complaints within 90 days.

If you're not happy with a Trustee decision that affects you, and your complaint has not been resolved to your satisfaction or remains unresolved after 90 days, you may refer it to the Australian Financial Complaints Authority (AFCA). AFCA is the external dispute resolution scheme established by the Commonwealth Government to deal with complaints from consumers in the financial system. AFCA provides a **free** service for consumers.

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 inflation from 1 July 2013 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**:

- made changes to their investment option(s)
- made changes to their insurance cover
- made or amended a binding beneficiary nomination or
- confirmed that they want their account to remain with their super fund by providing the fund with a completed 'Inactive low-balance accounts – Authorising your fund to provide a written declaration to the ATO' form (available from the ATO website) at least 30 days before the relevant date for reporting relevant accounts to the ATO (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 if:
 - 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

	2019 \$,000	2018 \$,000
REVENUE		
Distribution income	62,748	69,848
Interest income	348	437
Changes in fair value of investments	27,648	55,856
Other income	6,854	6,883
Total revenue	97,598	133,024
EXPENSES		
Investment expenses	5,826	6,381
Administration expenses	1,743	2,540
Other operating expenses	315	640
Total expenses	7,884	9,561
RESULTS FROM SUPERANNUATION ACTIVITIES BEFORE INCOME TAX	89,714	123,463
Income tax (expense)/benefit	256	(2,551)
RESULTS FROM SUPERANNUATION ACTIVITIES AFTER INCOME TAX	89,970	120,912
Net benefits allocated to members' accounts	(87,372)	(118,928)
PROFIT/(LOSS) AFTER INCOME TAX	2,598	1,984

STATEMENT OF FINANCIAL POSITION

	2019 \$,000	2018 \$,000
ASSETS		
Cash and cash equivalents	27,080	19,029
Investments	1,395,422	1,413,429
Distributions receivable	40,699	51,439
Interest receivable	1	1
Current tax assets	805	-
Other receivables	6,184	5,883
Total assets	1,470,191	1,489,781
LIABILITIES		
Payables	2,353	3,029
Current tax liabilities	-	582
Deferred tax liabilities	11,445	8,154
Total liabilities (excluding member benefits)	13,798	11,765
NET ASSETS AVAILABLE FOR MEMBER BENEFITS	1,456,393	1,478,016
Member benefits	(1,453,795)	(1,476,032)
TOTAL NET ASSETS	2,598	1,984
EQUITY		
Unallocated surplus/(deficiency)	2,598	1,984
Total equity	2,598	1,984

STATEMENT OF CHANGES IN MEMBER BENEFITS

	2019 \$,000	2018 \$,000
OPENING BALANCE OF MEMBER BENEFITS	1,476,032	1,486,503
Contributions – employer	37,095	38,448
Contributions – member	9,761	10,205
Transfers from other superannuation funds	12,377	9,287
Government co-contributions	41	94
Income tax on contributions	(3,833)	(4,750)
Net after tax contributions	55,441	53,284
Benefit payments	(166,073)	(182,502)
Insurance premiums charged to members' accounts	(4,576)	(5,366)
Death and disability benefits credited to members' accounts	3,615	3,271
Amount allocated to members from equity	1,984	1,914
BENEFITS ALLOCATED TO MEMBERS' ACCOUNTS		
Net investment income	89,115	121,468
Administration fees	(1,743)	(2,540)
Net benefits allocated to members' accounts	87,372	118,928
CLOSING BALANCE OF MEMBER BENEFITS	1,453,795	1,476,032

STATEMENT OF CHANGES IN EQUITY

	2019 \$,000	2018 \$,000
OPENING BALANCE	1,984	1,914
Profit/(loss) after income tax	2,598	1,984
Amount allocated to members from equity	(1,984)	(1,914)
CLOSING BALANCE	2,598	1,984

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