

PERPETUAL WHOLESALE FUNDS

Product Disclosure Statement

**PRODUCT DISCLOSURE STATEMENT
ISSUE NUMBER 13 DATED 1 DECEMBER 2020**

for indirect investors only

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

Perpetual 

IMPORTANT NOTES

In this Product Disclosure Statement (PDS), 'Funds' means Perpetual Wholesale Funds collectively and 'Fund' means one of the Funds in the relevant context. Each Fund is a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC) – refer 'Fund profiles' for details.

References in this PDS to 'we', 'us', 'our', 'Perpetual Investments' and 'Perpetual' are to Perpetual Investment Management Limited as:

- the responsible entity of the Funds
- the issuer of units in the Funds and this PDS
- the investment manager responsible for the selection of any specialist investment managers.

Perpetual Investment Management Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827).

'Perpetual Group' means Perpetual Limited and its subsidiaries.

We authorise the use of this PDS as disclosure only for indirect investors who wish to access the Funds through an investor directed portfolio service (IDPS), IDPS-like scheme, or a nominee or custody service or any other platform authorised by Perpetual (collectively referred to in this PDS as a 'Service').

As an indirect investor gaining exposure to the Funds through a Service, you do not yourself become an investor in the Fund. Instead it is the Service operator, which invests for you and acts on your behalf, that has the rights of an investor. Certain provisions of the Funds' constitutions are not relevant to indirect investors. For example, indirect investors cannot attend investor meetings or transfer or mortgage units in a Fund. You can request reports on your investment from the Service operator and you should direct any inquiries to them.

'You' or 'your' refers to indirect investors in the Funds.

This PDS describes the important features of the Funds. You should read it carefully before you decide to invest as it will help you to decide whether the Funds are appropriate for you. It contains general information only and doesn't take into account your objectives, financial situation or needs. This PDS may also help when comparing the Funds to others you may be considering.

We recommend that you consider the appropriateness of this information having regard to your objectives, financial situation and needs and seek financial advice before making an investment decision. If you have questions about investing in the Funds, you should speak to your financial adviser. You should consider the tax implications of investing in the Funds, which your financial and/or tax adviser will be able to help you with.

We may update this PDS (as well as the terms and features of the Funds where we can according to the Funds' constitutions and the law) with changes that are not materially adverse without issuing a supplementary PDS. The PDS and updated information will be available at our website and you can also obtain a paper copy free of charge, on request. If we become aware of any change that is materially adverse, we'll replace this PDS or issue a supplementary PDS. Any replacement and/or supplementary PDS will be available at our website and you can also obtain a paper copy free of charge, on request. If there is an increase in our fees or charges, we'll give your Service operator at least 30-days' prior written notice.

You should keep a copy of the current PDS and any replacement and/or supplementary PDS for future reference. You can access further information that has been made publicly available at our website or by contacting us.

Visit our website or contact us for the most up-to-date past investment returns for the Funds. Past investment returns are not indicative of future returns, so you shouldn't base your decision to invest in the Funds on past investment returns.

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 Funds is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney.

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WELCOME TO PERPETUAL WHOLESALE FUNDS

THE KEY BENEFITS OF INVESTING

Perpetual Wholesale Funds are a suite of investment funds managed by Perpetual or specialist investment managers appointed by Perpetual where you can choose to invest in:

- a single asset class fund(s), including Australian shares, global shares and fixed income
- a multi asset class fund(s) where we determine the allocation of investments between various asset classes.

This gives you the flexibility to structure an investment portfolio to best suit your needs.

ASSET CLASSES AVAILABLE

The main asset classes that the Funds may invest in are shown in the table below. The Funds may also invest in other types of assets (see 'Fund profiles' on pages 6-20 for details).

ABOUT PERPETUAL INVESTMENTS

Perpetual Investments is one of Australia's leading investment managers, with \$29.0 billion in funds under management (as at 30 September 2020). Perpetual Investments is part of the Perpetual Group, which has been in operation for over 130 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to help generations of Australians manage their wealth.

SPECIALIST INVESTMENT MANAGERS

We have appointed Barrow, Hanley, Mewhinney & Strauss, LLC (Barrow Hanley) as the specialist investment manager for the Perpetual Wholesale Global Share Fund.

Barrow Hanley is a global value equity manager, founded in 1979 and based in Dallas, Texas (USA), with US\$44.58 billion in assets under management as at 30 September 2020. Barrow Hanley is a 75% owned subsidiary of Perpetual Limited and a related party of Perpetual Investments. Perpetual Corporate Trust Limited (ABN 99 000 341 533, AFSL 392673) has appointed Barrow Hanley as its authorised representative (Representative number 001283250) under its Australian Financial Services Licence.

We may from time to time appoint other related or external specialist investment managers to manage one or more asset classes in the Funds in whole or in part. Details about current specialist investment managers at any time are available at our website (see 'Incorporation by reference' on page 41 for details) or can be obtained free of charge by contacting us.

We may also invest in other related or external managed investment funds from time to time.

THE MAIN ASSET CLASSES

ASSET CLASS	DESCRIPTION OF INVESTMENT
Cash	<p>Cash investments include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash provides a relatively consistent rate of return in the form of regular interest payments, generally in line with short-term interest rates and is widely considered the lowest investment risk.</p> <p>For Perpetual Wholesale High Grade Floating Rate Fund, deposits are products offered by authorised deposit-taking institutions (ADIs). ADIs are regulated by the Australian Prudential Regulation Authority (APRA), which enforces standards designed to ensure that under all reasonable circumstances ADIs can meet their obligations to depositors.</p> <p>Money market instruments are considered highly liquid fixed income instruments with a short maturity profile.</p>
Fixed income	<p>Fixed income instruments are securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.</p>
Property	<p>A property investment involves buying shares that represent a portion of ownership in a property related security, buying units in a listed or unlisted property trust or buying property directly. Property investments can be in a range of sectors including commercial, industrial, residential and retail. Returns are usually generated from rental income and changes in the value of the underlying properties.</p>
Shares	<p>Shares represent a portion of ownership in a company. Shareholders can benefit if a company passes on some of its profits to them through dividends and/or from capital growth if the share price rises.</p>

UNDERSTANDING INVESTMENT RISK

THE RISKS OF INVESTING

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Funds, we have detailed in the following table significant risks that may affect your investment.

Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

Your financial adviser can assist you in determining which Funds are suited to your financial needs.

SIGNIFICANT RISKS

TYPE OF RISK	DESCRIPTION OF RISK
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
Asset risk	A particular asset that a fund invests in may fall in value, which can result in a reduction in the value of your investment.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. Currency management or hedging strategies may not necessarily provide protection against adverse currency movements.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals from a fund – see 'Withdrawals' on page 36 and 'Suspension of applications and withdrawals' on page 40 for further information.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of a fund. Derivatives may also be subject to liquidity risk and/or counterparty risk. Depending on market conditions derivative positions can be costly or difficult to reverse. A counterparty may also be required to take collateral from a Fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the Fund's assets may not be returned in full. See 'Use of derivatives' on page 21 for further information about how derivatives may be used in the management of the Funds.
Counterparty risk	A loss may occur if the other party to a contract, including derivatives contracts, lending arrangements (cash or stocks) or currency hedging agreement, defaults on their obligations under the contract.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment.
Investment strategy risks	A fund's investment strategy may involve specific risks. These include gearing risk, short-position risk, prime broker risk, portfolio concentration risk, industry sector risk and smaller company risk – see 'Investment strategy risks' on page 4 for details.
Other investment risks	The investment professionals employed to manage the Funds may change, which may affect the future performance of a Fund. Investing in a Fund may have a different tax outcome than investing directly because of the application of tax laws to the Fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income. Transactions may be suspended, which may result in delays in paying withdrawal requests – see 'Suspension of applications and withdrawals' on page 40 for further information. A Fund may be terminated.
Conflicts risk	Conflicts of interest may arise between related parties appointed to provide services to the Funds.
Operational and cyber risks	The Funds' operations may be adversely impacted by breakdowns in internal/external administrative processes or circumstances beyond our reasonable control, such as failure of technology or infrastructure, or natural disasters. Despite security measures, fraud, data loss/damage or business disruption may result from cyber threats against or unauthorised infiltration of our technology systems and networks or those of our service providers.

INVESTMENT STRATEGY RISKS

GEARING RISK

With gearing, the investment manager borrows money from a lender to increase the amount the fund can invest. While this can result in larger investment gains in a rising market, it is also likely to magnify losses in a falling market.

Gearing increases the volatility of a fund's investment returns. Consequently, a geared fund is considered to have a higher investment risk than a comparable fund that is ungeared.

The returns of a geared fund depend on the types of investments in it as well as the level of gearing and the costs of borrowing, including interest rates.

The greater the level of gearing, the greater the potential for loss of capital. As the following example shows, a 10% fall in the market value of assets in an ungeared fund could translate into a 20% fall in the value of the same portfolio in a geared fund with a gearing level of 50% (excluding fees and borrowing costs).

EXAMPLE

YOUR INVESTMENT AMOUNT	\$1,000	\$1,000
Fund gearing level	nil	50%
Amount borrowed by fund	n/a	\$1,000
Amount invested in the market	\$1,000	\$2,000
IF THE VALUE OF THE FUND'S ASSETS FALLS BY 10%:		
Fall in value of fund's assets	\$100	\$200
Value of fund's assets after fall	\$900	\$1,800
Outstanding loan	n/a	\$1,000
Value of your investment	\$900	\$800
Loss of investment capital	\$100	\$200
Effective rate of loss	10%	20%

Consequently, the greater the level of gearing, the less the fall in asset value needs to be for a greater loss of your investment capital.

The gearing level may change regularly due to factors such as market movements, applications, withdrawals or changes to the amount borrowed. In certain circumstances, it may be necessary to suspend withdrawals to manage the fund's gearing position within its approved limits and protect the interests of all investors in the fund.

The lender may have the right to reduce the gearing level set for the geared fund or terminate the lending facility. This means that a geared fund may need to promptly reduce the gearing level by selling assets, which may force the sale of assets at unfavourable prices. To control this risk, the investment manager may establish alternate sources of funding to limit the exposure to any one lender.

SHORT-POSITION RISK

For Perpetual Wholesale SHARE-PLUS Long-Short Fund, a short position can be created when the Fund sells a borrowed security before buying it back from the open market to return to the securities lender. As the following example shows, if the market price of the security:

- falls in value, the Fund makes a profit because it buys it back for less than it was sold
- rises in value, the Fund will incur a loss when buying it back for more than it was sold.

EXAMPLE

NUMBER OF SECURITIES BORROWED	1,000	1,000
Market price when borrowed securities are sold	\$10	\$10
Proceeds from sale of borrowed securities	\$10,000	\$10,000
Market price when securities are repurchased to return to lender	\$8	\$12
Cost to repurchase securities	\$8,000	\$12,000
Profit/(loss) from short position (before any borrowing costs)	\$2,000	(\$2,000)

Establishing a short position in a security involves a higher level of risk than investing in a security. This is because when you invest in a security, the maximum loss is generally limited to the amount invested. With short positions there is no limit on the maximum loss because there is no upper limit on the security's price. In other words, the loss will continue to increase as the security's price rises.

A further risk is that the securities lender may recall a borrowed security, so the Fund will have to find another securities lender willing to lend the security, or may have to buy the security quickly at an unfavourable price.

PRIME BROKER RISK

Perpetual engages a prime broker to provide financing for gearing and stock for the borrowing and lending of securities in Perpetual Wholesale Geared Australian Share Fund and Perpetual Wholesale SHARE-PLUS Long-Short Fund, as well as settlement services for these Funds and any other services agreed between the parties.

When one of these Funds borrows securities or cash, the prime broker is entitled to take collateral from the assets of the particular Fund. Any assets taken by the prime broker may be used by the prime broker for its own purposes (including lending those assets to third parties) for the period that the Fund retains the relevant liability. Therefore, there is a risk that if the prime broker becomes insolvent whilst the Fund remains indebted to the prime broker, the assets of the Fund may not be returned in full.

PORTFOLIO CONCENTRATION RISK

Investing in a Fund with a smaller number of investments may lead to more volatile returns than investing in a Fund with a more diversified portfolio.

INDUSTRY SECTOR RISK

Investing in a Fund primarily with exposure to a single industry sector (eg technology) exposes investors to additional risk since the price of many stocks within an industry sector may fall at the same time due to economic or other factors affecting that particular industry.

SMALLER COMPANY RISK

When investing in a company generally considered small by market capitalisation, an investor is exposed to many risks to which the company is exposed and this may impact the value of the security. The company may also be a new participant with limited public information or involve new concepts which may be speculative.

In addition, the market price of a smaller company's securities may fluctuate in an unrelated or disproportionate way to the operating performance of the company.

Shares in smaller and microcap companies may trade less frequently and in smaller volumes and therefore may be affected by liquidity risk to a greater degree than shares in larger companies.

HOW WE MANAGE THESE RISKS

We can't eliminate investment risks, however we aim to manage the impact of these risks by setting consistent and carefully considered investment guidelines.

Perpetual Group has policies and procedures in place to manage any conflicts of interest, which ensure Perpetual's appointment and supervision of any related party is on arm's length terms and that any such related party performs its functions to the same standard as if the parties were not related and in the best interest of investors.

FUND PROFILES

CURRENT FUNDS

The following Fund profiles on pages 8-20 provide a summary of the Funds currently offered within Perpetual Wholesale Funds.

CATEGORY	FUND	PAGE
Fixed income	Perpetual Wholesale Active Fixed Interest Fund	8
	Perpetual Wholesale Diversified Income Fund	8
	Perpetual Wholesale Dynamic Fixed Income Fund	9
	Perpetual Ethical SRI Credit Fund	9
	Perpetual Wholesale High Grade Floating Rate Fund	10
Share income	Perpetual Wholesale Income Share Fund	10
Australian shares	Perpetual Wholesale Australian Share Fund	11
	Perpetual Wholesale Concentrated Equity Fund	11
	Perpetual Wholesale Ethical SRI Fund	12
	Perpetual Wholesale Geared Australian Share Fund	12
	Perpetual Wholesale Industrial Share Fund	13
	Perpetual Wholesale SHARE-PLUS Long-Short Fund	13
	Perpetual Wholesale Smaller Companies Fund	14
Global shares	Perpetual Global Innovation Share Fund	14
	Perpetual Wholesale Global Share Fund	15
Diversified – conservative	Perpetual Wholesale Conservative Growth Fund	15
Diversified – balanced	Perpetual Wholesale Diversified Growth Fund	16
	Perpetual Diversified Real Return Fund – Class W units (standard fee option)	16
	Perpetual Diversified Real Return Fund – Class Z units (performance fee option)	17
Diversified – growth	Perpetual Wholesale Balanced Growth Fund	17
	Perpetual Wholesale Split Growth Fund	18

CLOSED FUNDS

The following Fund profiles on page 19 contain details of **closed Funds** and are provided for the **information only of existing investors**.

CATEGORY	CLOSED FUND	PAGE
Australian shares	Perpetual's Australian Share Fund	19
Diversified – growth	Perpetual Balanced Growth Fund No. 2	19

ABOUT THE FUND PROFILES

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

CATEGORY

This indicates the type of fund and/or main asset class(es) in which the Fund predominantly invests (see 'The key benefits of investing' and 'Asset classes available' on page 2 for further information about the types of funds and main asset classes).

MARKETING FUND NAME

This shows the Fund's marketing name used throughout this PDS, which may vary from its registered name (see below).

INVESTMENT MANAGER

This is the investment manager appointed by Perpetual Investments to manage the assets of each Fund.

REGISTERED MANAGED INVESTMENT SCHEME

This shows the Fund's registered name as at the date of this PDS, which may vary from the Fund's marketing name otherwise used in this PDS, and its Australian registered scheme number (ARSN) issued by ASIC.

APIR CODE

This is a unique industry identifier for each Fund.

COMMENCEMENT DATE

This is the month and year that the Fund received its first investment.

RISK LEVEL

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

RISK BAND	RISK LABEL	ESTIMATED NUMBER OF NEGATIVE ANNUAL RETURNS OVER ANY 20 YEAR PERIOD
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

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

You should still ensure you are comfortable with the risks and potential losses associated with your chosen Fund(s).

The SRMs for the Funds 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 manager. Any changes to SRMs at any time will be available at our website.

SUGGESTED LENGTH OF INVESTMENT

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

DISTRIBUTION FREQUENCY AND DATES

The distribution frequency is how often the Fund usually makes a distribution. The distribution dates are the effective dates for distributions. Payment of distributions not reinvested occurs after the distribution date (see 'Distributions' on page 37 for details).

OBJECTIVE

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

INVESTMENT APPROACH

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

INVESTMENT GUIDELINES

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

FOOTNOTES

You should refer to page 20 for details of footnotes.

FURTHER INFORMATION

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

FUND PROFILES

Category	FIXED INCOME	FIXED INCOME												
Marketing Fund name	PERPETUAL WHOLESAL ACTIVE FIXED INTEREST FUND	PERPETUAL WHOLESAL DIVERSIFIED INCOME FUND												
Investment manager	Perpetual Investments	Perpetual Investments												
Registered managed investment scheme	Perpetual Active Fixed Interest Fund ¹ ARSN 110 147 969	Perpetual Diversified Income Fund ⁵ ARSN 110 147 665												
APIR code	PER8045AU	PER0260AU												
Commencement date	February 2017 ²	October 2005												
Risk level	5 – Medium to high	6 – High												
Suggested length of investment	Three years or longer	Three years or longer												
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December												
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide investors with regular income by investing in fixed income securities, primarily corporate bonds outperform the Bloomberg AusBond Composite Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to provide regular income and consistent returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes) over rolling three-year periods by investing in a diverse range of income generating assets.</p>												
Investment approach	<p>Perpetual aims to enhance returns by:</p> <ul style="list-style-type: none"> diversifying the Fund among different securities issued by various borrowers actively managing for changes in market-wide and security-specific credit margins identifying and investing in relative value within the universe of credit securities actively managing the portfolio with respect to interest rates, swap and credit margins and managing the portfolio's sensitivity to changes in these. <p>Derivatives may be used in managing the Fund.</p>	<p>The Fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating, subordination or gearing. The Fund can also invest in alternative income generating securities such as mortgages, infrastructure debt and private debt. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns.</p> <p>Derivatives may be used in managing the Fund.</p>												
Investment guidelines	<table border="0"> <tr> <td>Cash and investment grade securities³</td> <td>90-100%</td> </tr> <tr> <td>Sub-investment grade securities⁴ and non-rated securities</td> <td>0-10%</td> </tr> </table>	Cash and investment grade securities ³	90-100%	Sub-investment grade securities ⁴ and non-rated securities	0-10%	<table border="0"> <tr> <td>Cash and investment grade securities³</td> <td>75-100%</td> </tr> <tr> <td>Sub-investment grade securities⁴ and non-rated securities (includes mortgages and other private debt)</td> <td>0-25%</td> </tr> <tr> <td>Gearing level (of the Fund's net asset value)</td> <td>0-15%</td> </tr> <tr> <td></td> <td>0-25%</td> </tr> </table>	Cash and investment grade securities ³	75-100%	Sub-investment grade securities ⁴ and non-rated securities (includes mortgages and other private debt)	0-25%	Gearing level (of the Fund's net asset value)	0-15%		0-25%
Cash and investment grade securities ³	90-100%													
Sub-investment grade securities ⁴ and non-rated securities	0-10%													
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Sub-investment grade securities ⁴ and non-rated securities (includes mortgages and other private debt)	0-25%													
Gearing level (of the Fund's net asset value)	0-15%													
	0-25%													

FUND PROFILES

Category	FIXED INCOME	FIXED INCOME												
Marketing Fund name	PERPETUAL WHOLESALE DYNAMIC FIXED INCOME FUND	PERPETUAL ETHICAL SRI CREDIT FUND												
Investment manager	Perpetual Investments	Perpetual Investments												
Registered managed investment scheme	Perpetual Dynamic Fixed Income Fund ARSN 147 094 415	Perpetual Ethical SRI Credit Fund ARSN 625 524 138												
APIR code	PER0557AU	PER1744AU												
Commencement date	November 2010	June 2018												
Risk level	6 – High	4 – Medium												
Suggested length of investment	Three years or longer	Three years or longer												
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December												
Objective	<p>Aims to provide:</p> <ul style="list-style-type: none"> capital stability and regular income by investing in a diversified range of income generating assets a positive return (before fees and taxes) irrespective of market conditions over rolling three-year periods. 	<p>Aims to provide regular income and consistent returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes) over rolling three-year periods by investing in a diverse range of income generating, ethical and socially responsible assets.</p>												
Investment approach	<p>Perpetual aims to achieve the objective by:</p> <ul style="list-style-type: none"> investing in both Australian and international fixed income assets actively managing the credit risk through: <ul style="list-style-type: none"> diversifying the Fund among different securities issued by various borrowers actively managing for changes in market-wide and security-specific credit margins identifying and investing in relative value within the universe of credit securities managing duration risk⁶ considering a variety of factors, including valuations and current market conditions. <p>Currency hedges may be used from time to time. Derivatives may be used in managing the Fund.</p>	<p>The Fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating or subordination. The Fund can also invest in alternative income generating securities such as infrastructure debt. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns.</p> <p>In addition to the above investment approach, Perpetual utilises a strategy for screening ethical and socially responsible investments (see 'Environmental, social, governance and ethical factors' on page 21).</p> <p>Derivatives may be used in managing the Fund.</p>												
Investment guidelines	<table border="1"> <tbody> <tr> <td>Fixed rate exposure</td> <td>0-100%</td> </tr> <tr> <td>Floating rate exposure</td> <td>0-100%</td> </tr> <tr> <td>Cash and investment grade securities³</td> <td>75-100%</td> </tr> <tr> <td>Sub-investment grade securities⁴ and non-rated securities</td> <td>0-25%</td> </tr> </tbody> </table>	Fixed rate exposure	0-100%	Floating rate exposure	0-100%	Cash and investment grade securities ³	75-100%	Sub-investment grade securities ⁴ and non-rated securities	0-25%	<table border="1"> <tbody> <tr> <td>Cash and investment grade securities³</td> <td>75-100%</td> </tr> <tr> <td>Sub-investment grade securities⁴ and non-rated securities</td> <td>0-25%</td> </tr> </tbody> </table>	Cash and investment grade securities ³	75-100%	Sub-investment grade securities ⁴ and non-rated securities	0-25%
Fixed rate exposure	0-100%													
Floating rate exposure	0-100%													
Cash and investment grade securities ³	75-100%													
Sub-investment grade securities ⁴ and non-rated securities	0-25%													
Cash and investment grade securities ³	75-100%													
Sub-investment grade securities ⁴ and non-rated securities	0-25%													

FUND PROFILES

Category	FIXED INCOME	SHARE INCOME				
Marketing Fund name	PERPETUAL WHOLESALE HIGH GRADE FLOATING RATE FUND	PERPETUAL WHOLESALE INCOME SHARE FUND				
Investment manager	Perpetual Investments	Perpetual Investments				
Registered managed investment scheme	Perpetual High Grade Treasury Fund ⁷ ARSN 098 496 998	Perpetual Income Share Fund ARSN 093 446 256				
APIR code	PER0562AU	PTC0002AU				
Commencement date	March 2011 ⁸	October 1993				
Risk level	2 – Low	6 – High				
Suggested length of investment	One year or longer	Five years or longer				
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December				
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide investors with regular income by investing in deposits, money market and fixed income securities outperform the Bloomberg AusBond Bank Bill Index on an ongoing basis (before fees and taxes). 	<p>Aims to provide investors with:</p> <ul style="list-style-type: none"> exposure to a diversified portfolio of tax-effective high income yielding Australian securities that are also expected to produce some long-term capital growth above market dividend yield as measured by the S&P/ASX 200 Accumulation Index. 				
Investment approach	<p>The Fund invests in a diversified portfolio of securities. By investing in corporate debt, asset-backed securities (including mortgages) and debt-like hybrid securities and discount securities, Perpetual aims to enhance returns while substantially retaining low-risk characteristics. Perpetual aims to enhance returns by:</p> <ul style="list-style-type: none"> considering a range of securities, providing they meet the minimum required credit rating selecting securities that offer attractive yields relative to their risk actively managing for changes in market-wide and security-specific credit margins diversifying among different securities issued by various borrowers. <p>Derivatives may be used in managing the Fund.</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business and recurring earnings. <p>Derivatives may be used in managing the Fund.</p>				
Investment guidelines	Invest predominantly in investment grade securities ³ .	<table border="0"> <tr> <td>Australian shares and fixed income securities</td> <td style="text-align: right;">80-100%</td> </tr> <tr> <td>Cash</td> <td style="text-align: right;">0-20%</td> </tr> </table>	Australian shares and fixed income securities	80-100%	Cash	0-20%
Australian shares and fixed income securities	80-100%					
Cash	0-20%					

FUND PROFILES

Category	AUSTRALIAN SHARES	AUSTRALIAN SHARES								
Marketing Fund name	PERPETUAL WHOLESAL AUSTRALIAN SHARE FUND	PERPETUAL WHOLESAL CONCENTRATED EQUITY FUND								
Investment manager	Perpetual Investments	Perpetual Investments								
Registered managed investment scheme	Perpetual Australian Share Fund ARSN 091 189 132	Perpetual Concentrated Equity Fund ARSN 091 185 590								
APIR code	PER0049AU	PER0102AU								
Commencement date	February 1997	August 1999								
Risk level	6 – High	6 – High								
Suggested length of investment	Five years or longer	Five years or longer								
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December								
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> • provide long-term capital growth and regular income through investment predominantly in quality Australian industrial and resource shares • outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <ul style="list-style-type: none"> • provide long-term capital growth and income through investment predominantly in quality Australian industrial and resource shares • outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 								
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business and • recurring earnings. <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>Derivatives may be used in managing the Fund.</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business and • recurring earnings. <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>The Fund's investment portfolio will typically consist of between 20 and 45 stocks.</p> <p>Derivatives may be used in managing the Fund.</p>								
Investment guidelines	<table border="0"> <tr> <td>Australian shares⁹</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Australian shares ⁹	90-100%	Cash	0-10%	<table border="0"> <tr> <td>Australian shares⁹</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Australian shares ⁹	90-100%	Cash	0-10%
Australian shares ⁹	90-100%									
Cash	0-10%									
Australian shares ⁹	90-100%									
Cash	0-10%									

FUND PROFILES

Category	AUSTRALIAN SHARES	AUSTRALIAN SHARES										
Marketing Fund name	PERPETUAL WHOLESALE ETHICAL SRI FUND	PERPETUAL WHOLESALE GEARED AUSTRALIAN SHARE FUND										
Investment manager	Perpetual Investments	Perpetual Investments										
Registered managed investment scheme	Perpetual Ethical SRI Fund ARSN 099 975 041	Perpetual Geared Australian Share Fund ARSN 103 864 688										
APIR code	PERO116AU	PERO071AU										
Commencement date	April 2002	March 2003										
Risk level	6 – High	7 – Very high										
Suggested length of investment	Five years or longer	Seven years or longer										
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December										
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide long-term capital growth and regular income through investment predominantly in quality shares of Australian ethical and socially responsible companies outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <ul style="list-style-type: none"> enhance long-term capital growth through borrowing (gearing) to invest predominantly in quality Australian industrial and resource shares outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 										
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business and recurring earnings. <p>In addition to the above investment approach, Perpetual utilises a strategy for screening ethical and socially responsible investments (see 'Environmental, social, governance and ethical factors' on page 21).</p> <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>Derivatives may be used in managing the Fund.</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business and recurring earnings. <p>The gearing level of the Fund must be kept within pre-determined guidelines. Within these, Perpetual aims to ensure that the gearing level is maximised, subject to the cost of borrowing being adequately covered by net income.</p> <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>Derivatives may be used in managing the Fund, including for gearing purposes.</p>										
Investment guidelines	<table border="0"> <tr> <td>Australian shares⁹</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Australian shares ⁹	90-100%	Cash	0-10%	<table border="0"> <tr> <td>Australian shares⁹</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> <tr> <td>Gearing level¹⁰</td> <td>0-60%</td> </tr> </table>	Australian shares ⁹	90-100%	Cash	0-10%	Gearing level ¹⁰	0-60%
Australian shares ⁹	90-100%											
Cash	0-10%											
Australian shares ⁹	90-100%											
Cash	0-10%											
Gearing level ¹⁰	0-60%											

FUND PROFILES

Category	AUSTRALIAN SHARES	AUSTRALIAN SHARES												
Marketing Fund name	PERPETUAL WHOLESAL INDUSTRIAL SHARE FUND	PERPETUAL WHOLESAL SHARE-PLUS LONG-SHORT FUND												
Investment manager	Perpetual Investments	Perpetual Investments												
Registered managed investment scheme	Perpetual Wholesale Industrial Fund ARSN 091 187 049	Perpetual SHARE-PLUS Long-Short Fund ARSN 103 864 937												
APIR code	PER0046AU	PER0072AU												
Commencement date	December 1996	March 2003												
Risk level	6 – High	6 – High												
Suggested length of investment	Five years or longer	Five years or longer												
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December												
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> • provide long-term capital growth and regular income through investment predominantly in quality Australian industrial shares • outperform the S&P/ASX 300 Industrials Accumulation Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <ul style="list-style-type: none"> • provide long-term capital growth and income through investment in quality shares and taking short positions predominantly in selected Australian shares⁹ • outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 												
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business and • recurring earnings. <p>The Fund may have up to 10% exposure to investments in international shares.¹¹</p> <p>Derivatives may be used in managing the Fund.</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business and • recurring earnings. <p>In addition, Perpetual aims to take short positions predominantly in Australian shares⁹ that it believes will fall in value. The short positions are determined based on each stock's expected returns and the investment constraints (designed to reduce the risks associated with taking short positions).</p> <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>The Fund may have up to 10% exposure to short positions in international shares.¹²</p> <p>Derivatives may be used in managing the Fund.</p>												
Investment guidelines	<table border="0"> <tr> <td>Industrial shares¹¹</td> <td>90-100%</td> </tr> <tr> <td>Cash</td> <td>0-10%</td> </tr> </table>	Industrial shares ¹¹	90-100%	Cash	0-10%	<table border="0"> <tr> <td>Australian shares⁹</td> <td>90-125%</td> </tr> <tr> <td>Short positions¹²</td> <td>0-25%</td> </tr> <tr> <td>Australian shares⁹ (net)¹²</td> <td>65-100%</td> </tr> <tr> <td>Cash</td> <td>0-35%</td> </tr> </table>	Australian shares ⁹	90-125%	Short positions ¹²	0-25%	Australian shares ⁹ (net) ¹²	65-100%	Cash	0-35%
Industrial shares ¹¹	90-100%													
Cash	0-10%													
Australian shares ⁹	90-125%													
Short positions ¹²	0-25%													
Australian shares ⁹ (net) ¹²	65-100%													
Cash	0-35%													

FUND PROFILES

Category	AUSTRALIAN SHARES	GLOBAL SHARES								
Marketing Fund name	PERPETUAL WHOLESALE SMALLER COMPANIES FUND	PERPETUAL GLOBAL INNOVATION SHARE FUND								
Investment manager	Perpetual Investments	Perpetual Investments								
Registered managed investment scheme	Perpetual Smaller Companies Fund ARSN 091 188 082	Perpetual Global Innovation Share Fund ARSN 618 533 510								
APIR code	PER0048AU	PER1547AU								
Commencement date	October 1996	May 2017								
Risk level	6 – High	6 – High								
Suggested length of investment	Five years or longer	Seven years or longer								
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December								
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide long-term capital growth and income through investment in quality Australian industrial and resource shares which, when first acquired, do not rank in the S&P/ASX 50 Index outperform the S&P/ASX Small Ordinaries Accumulation Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <ul style="list-style-type: none"> provide investors with long-term capital growth through investment in quality global shares that are benefiting from changes in technology and innovation outperform the MSCI All Countries World Net Total Return Index (AUD) (before fees and taxes) over rolling three-year periods. 								
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business and recurring earnings. <p>Derivatives may be used in managing the Fund.</p>	<p>Perpetual aims to achieve the above objectives by adopting a 'bottom-up' stock selection approach to investing, where the decision to buy or sell is based on a fundamental valuation of stocks.</p> <p>The portfolio manager believes that changes in technology and innovation can have a significant impact on the future earnings and valuation of companies, and that by focusing on understanding new changes in technology and innovation this can lead to the early identification of undervalued stocks.</p> <p>In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business recurring earnings. <p>The Fund may hold up to 30% in companies that fall outside the above criteria.</p> <p>The diversified portfolio is constructed within a framework that is independent of the benchmark in terms of stock and sector weights. Added value is expected to come from the portfolio manager's high conviction approach to stock selection.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management can be used with the aim of protecting the value of the Fund's assets.</p> <p>Derivatives may be used in managing the Fund.</p> <p>Global shares include convertible notes, which are short-term debt securities that convert into equity.</p>								
Investment guidelines	<table border="1"> <tr> <td>Australian smaller company shares¹³</td> <td>80-100%</td> </tr> <tr> <td>Cash</td> <td>0-20%</td> </tr> </table>	Australian smaller company shares ¹³	80-100%	Cash	0-20%	<table border="1"> <tr> <td>Global shares</td> <td>75-100%</td> </tr> <tr> <td>Cash</td> <td>0-25%</td> </tr> </table>	Global shares	75-100%	Cash	0-25%
Australian smaller company shares ¹³	80-100%									
Cash	0-20%									
Global shares	75-100%									
Cash	0-25%									

FUND PROFILES

Category	GLOBAL SHARES	DIVERSIFIED - CONSERVATIVE																
Marketing Fund name	PERPETUAL WHOLESALE GLOBAL SHARE FUND	PERPETUAL WHOLESALE CONSERVATIVE GROWTH FUND																
Investment manager	Barrow Hanley	Perpetual Investments																
Registered managed investment scheme	Perpetual Global Share Fund ¹⁴ ARSN 601 199 035	Perpetual Conservative Growth Fund ARSN 105 779 628																
APIR code	PERO733AU	PERO077AU																
Commencement date	November 2009 ¹⁵	September 2003																
Risk level	7 - Very high	5 - Medium to high ¹⁷																
Suggested length of investment	Seven years or longer	Three years or longer																
Distribution frequency and dates	Half-yearly - 30 June and 31 December	Quarterly - 31 March, 30 June, 30 September and 31 December																
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide investors with long-term capital growth through investment in quality global shares outperform the MSCI World Net Total Return Index (AUD) (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <ul style="list-style-type: none"> provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities outperform the All Groups CPI + 3.5% pa (before fees and taxes) over at least two-year periods outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods. 																
Investment approach	<p>The investment manager strives to achieve the above objectives by adopting a value-oriented, bottom-up investment process focused on in-depth fundamental research to identify companies that trade below their intrinsic value for reasons that they can identify, believe are temporary and have a clearly identified path to achieving fair value.</p> <p>The investment manager aims to select the most attractive securities to construct a well-diversified, high active share portfolio that provides asymmetrical returns by participating in up markets while protecting in down markets. The portfolio will exhibit a clear value bias and seek characteristics such as:</p> <ul style="list-style-type: none"> price/earnings ratios below the market price/book ratios below the market enterprise value/free cash flow ratios below the market dividend yields above the market. <p>The Fund will primarily invest in companies incorporated in developed markets and may hold up to 20% of the portfolio in companies incorporated in emerging markets.</p> <p>The portfolio has no direct tobacco stock exposure. The currency exposure in the Fund is unhedged.</p>	<p>The Fund invests in a diverse mix of growth, defensive and other assets, with a focus on cash and fixed income securities.</p> <p>Tactical asset allocation strategies may be applied, which involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.</p>																
Investment guidelines	<table border="0"> <tr> <td>Global shares</td> <td>95-100%</td> </tr> <tr> <td>Cash¹⁶</td> <td>0-5%</td> </tr> </table>	Global shares	95-100%	Cash ¹⁶	0-5%	<table border="0"> <tr> <td>Australian shares¹⁸</td> <td>0-25%</td> </tr> <tr> <td>International shares¹⁸</td> <td>0-20%</td> </tr> <tr> <td>Property</td> <td>0-10%</td> </tr> <tr> <td>Fixed income and credit¹⁹</td> <td>15-65%</td> </tr> <tr> <td>Cash</td> <td>5-55%</td> </tr> <tr> <td>Other assets²⁰</td> <td>0-30%</td> </tr> </table>	Australian shares ¹⁸	0-25%	International shares ¹⁸	0-20%	Property	0-10%	Fixed income and credit ¹⁹	15-65%	Cash	5-55%	Other assets ²⁰	0-30%
Global shares	95-100%																	
Cash ¹⁶	0-5%																	
Australian shares ¹⁸	0-25%																	
International shares ¹⁸	0-20%																	
Property	0-10%																	
Fixed income and credit ¹⁹	15-65%																	
Cash	5-55%																	
Other assets ²⁰	0-30%																	

FUND PROFILES

Category	DIVERSIFIED - BALANCED		DIVERSIFIED - BALANCED	
Marketing Fund name	PERPETUAL WHOLESALE DIVERSIFIED GROWTH FUND		PERPETUAL DIVERSIFIED REAL RETURN FUND - CLASS W UNITS (STANDARD FEE OPTION)	
Investment manager	Perpetual Investments		Perpetual Investments	
Registered managed investment scheme	Perpetual Diversified Growth Fund ARSN 098 429 746		Perpetual Diversified Real Return Fund ARSN 146 128 181	
APIR code	PERO114AU		PERO556AU	
Commencement date	October 2001		October 2010 (for the original Class W units)	
Risk level	6 - High		6 - High	
Suggested length of investment	Three years or longer		Five years or longer	
Distribution frequency and dates	Quarterly - 31 March, 30 June, 30 September and 31 December		Quarterly - 31 March, 30 June, 30 September and 31 December	
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide long-term capital growth and income through investment in a diversified portfolio of growth and income assets outperform the All Groups CPI + 4.5% pa (before fees and taxes) over at least three-year periods outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods. 		<p>Targets a pre-tax return of 5% per annum above inflation²¹ (before fees and taxes) over rolling five-year periods, while minimising downside risk.</p>	
Investment approach	<p>The Fund invests in a diverse mix of growth, defensive and other assets.</p> <p>Tactical asset allocation strategies may be applied, which involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.</p>		<p>The Fund will invest in a diversified range of asset classes which are weighted according to the level of risk they contribute to the portfolio. Assets will be managed to effectively diversify these risk exposures. The combination of assets held by the Fund at any time are those which we believe provide the greatest probability of achieving the target return over rolling five-year periods. Perpetual may quickly adjust the Fund's asset allocation to respond to changing market conditions and/or to take advantage of new opportunities.</p> <p>In managing the Fund to meet its investment objective, the Fund may implement a considerable amount of its exposures via derivatives, and may include alternative and private market assets.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p>	
Investment guidelines	Australian shares ¹⁸	10-35%	Australian shares ²²	0-50%
	International shares ¹⁸	10-30%	International shares ²²	0-50%
	Property	0-15%	Property	0-15%
	Fixed income and credit ¹⁹	10-55%	Fixed income and credit ¹⁹	0-100%
	Cash	0-30%	Commodities	0-15%
	Other assets ²⁰	0-30%	Other investments ²³	0-30%
			Cash	0-100%
			(Illiquid assets ²⁴)	0-20%

FUND PROFILES

Category	DIVERSIFIED – BALANCED	DIVERSIFIED – GROWTH																												
Marketing Fund name	PERPETUAL DIVERSIFIED REAL RETURN FUND – CLASS Z UNITS (PERFORMANCE FEE OPTION)	PERPETUAL WHOLESALE BALANCED GROWTH FUND																												
Investment manager	Perpetual Investments	Perpetual Investments																												
Registered managed investment scheme	Perpetual Diversified Real Return Fund ARSN 146 128 181	Perpetual Balanced Growth Fund ARSN 091 187 601																												
APIR code	PER6115AU	PER0063AU																												
Commencement date	May 2018 (for Class Z units)	October 1997																												
Risk level	6 - High	6 – High																												
Suggested length of investment	Five years or longer	Five years or longer																												
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December																												
Objective	Targets a pre-tax return of 5% per annum above inflation ²¹ (before fees and taxes) over rolling five-year periods, while minimising downside risk.	<p>Aims to:</p> <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 the All Groups CPI + 5.0% pa (before fees and taxes) over at least five-year periods outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods. 																												
Investment approach	<p>The Fund will invest in a diversified range of asset classes which are weighted according to the level of risk they contribute to the portfolio. Assets will be managed to effectively diversify these risk exposures. The combination of assets held by the Fund at any time are those which we believe provide the greatest probability of achieving the target return over rolling five-year periods. Perpetual may quickly adjust the Fund's asset allocation to respond to changing market conditions and/or to take advantage of new opportunities.</p> <p>In managing the Fund to meet its investment objective, the Fund may implement a considerable amount of its exposures via derivatives, and may include alternative and private market assets.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p>	<p>The Fund invests in a diverse mix of growth, defensive and other assets, with a focus on Australian and international shares.</p> <p>Tactical asset allocation strategies may be applied, which involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.</p>																												
Investment guidelines	<table border="1"> <tbody> <tr> <td>Australian shares²²</td> <td>0-50%</td> </tr> <tr> <td>International shares²²</td> <td>0-50%</td> </tr> <tr> <td>Property</td> <td>0-15%</td> </tr> <tr> <td>Fixed income and credit¹⁹</td> <td>0-100%</td> </tr> <tr> <td>Commodities</td> <td>0-15%</td> </tr> <tr> <td>Other investments²³</td> <td>0-30%</td> </tr> <tr> <td>Cash</td> <td>0-100%</td> </tr> <tr> <td>(Illiquid assets²⁴)</td> <td>0-20%</td> </tr> </tbody> </table>	Australian shares ²²	0-50%	International shares ²²	0-50%	Property	0-15%	Fixed income and credit ¹⁹	0-100%	Commodities	0-15%	Other investments ²³	0-30%	Cash	0-100%	(Illiquid assets ²⁴)	0-20%	<table border="1"> <tbody> <tr> <td>Australian shares¹⁸</td> <td>10-50%</td> </tr> <tr> <td>International shares¹⁸</td> <td>10-50%</td> </tr> <tr> <td>Property</td> <td>0-15%</td> </tr> <tr> <td>Fixed income and credit¹⁹</td> <td>0-45%</td> </tr> <tr> <td>Cash</td> <td>0-30%</td> </tr> <tr> <td>Other assets²⁰</td> <td>0-30%</td> </tr> </tbody> </table>	Australian shares ¹⁸	10-50%	International shares ¹⁸	10-50%	Property	0-15%	Fixed income and credit ¹⁹	0-45%	Cash	0-30%	Other assets ²⁰	0-30%
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Other assets ²⁰	0-30%																													

FUND PROFILES

Category	DIVERSIFIED – GROWTH	
Marketing Fund name	PERPETUAL WHOLESAL SPLIT GROWTH FUND	
Investment manager	Perpetual Investments	
Registered managed investment scheme	Perpetual Split Growth Fund ARSN 091 185 438	
APIR code	PER0066AU	
Commencement date	March 1999	
Risk level	6 – High	
Suggested length of investment	Five years or longer	
Distribution frequency and dates	Yearly – 30 June	
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> • achieve long-term capital growth through investment in a variable mix of Australian and international shares and other securities, with lower risk than 100% exposure to either asset class • outperform a composite benchmark (before fees and taxes) comprising the S&P/ASX 300 Accumulation Index and the MSCI World ex Australia Accumulation Index (AUD) reflecting the Fund's allocation to the various asset types over rolling three-year periods. 	
Investment approach	<p>The Fund may invest in Australian and international shares. The combination of assets held by the Fund at any time are those which we believe provide the greatest probability of achieving the investment objective over rolling three-year periods.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.</p>	
Investment guidelines	International shares	45-100%
	Australian shares	0-35%
	Cash	0-20%

FUND PROFILES – CLOSED FUNDS

The following Funds are no longer offered publicly and are closed to any further investment by existing external investors (other than for reinvestment of distributions).

Category	AUSTRALIAN SHARES	DIVERSIFIED – GROWTH																
Marketing Fund name	PERPETUAL'S AUSTRALIAN SHARE FUND	PERPETUAL BALANCED GROWTH FUND NO. 2																
Investment manager	Perpetual Investments	Perpetual Investments																
Registered managed investment scheme	Perpetual's Australian Share Fund ARSN 093 183 165	Perpetual Balanced Growth Fund No. 2 ARSN 091 102 171																
APIR code	PERO281AU	PERO013AU																
Commencement date	August 1986	June 1993																
Risk level	6 – High	6 – High																
Suggested length of investment	Five years or longer	Five years or longer																
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																
Objective	<p>Aims to:</p> <ul style="list-style-type: none"> provide long-term capital growth and regular income through investment predominantly in quality Australian industrial and resource shares outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods. 	<p>Aims to:</p> <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 the All Groups CPI + 5.0% pa (before fees and taxes) over at least five-year periods outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods. 																
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> conservative debt levels sound management quality business and recurring earnings. <p>The Fund may have up to 20% exposure to investments in international shares.⁹</p> <p>Derivatives may be used in managing the Fund.</p>	<p>The Fund invests in a diverse mix of growth, defensive and other assets, with a focus on Australian and international shares.</p> <p>Tactical asset allocation strategies may be applied, which involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.</p> <p>Currency is managed at the Fund level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net foreign currency exposure will be limited to 50% of the gross asset value of the Fund.</p> <p>Derivatives and exchange traded funds may be used in managing each asset class.</p>																
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FOOTNOTES TO FUND PROFILES

- 1 The constitution for Perpetual Active Fixed Interest Fund allows for multiple unit classes. This PDS offers investment in the Fund's 'Class A' units. Any reference to this Fund in this PDS is a reference to Class A units in that Fund. A separate class of units is currently offered to wholesale clients (as defined in the Corporations Act 2001) via Information Memorandum.
- 2 Perpetual Active Fixed Interest Fund commenced as a registered managed investment scheme in April 2005.
- 3 Investment grade is a term given to securities that have a high probability of payment of interest and repayment of principal and are generally considered to be investments with a rating of BBB- or above.
- 4 Sub-investment grade is a term given to securities where there is a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise and are generally considered to be investments with a rating below BBB-. The Fund typically invests in investment grade securities, but we may increase our sub-investment grade exposure under favourable economic conditions. Sub-investment grade securities may include, but are not limited to, non-rated securities, hybrids, mortgages, mezzanine mortgages and private debt.
- 5 The constitution for Perpetual Diversified Income Fund allows for multiple unit classes. This PDS offers investment in the Fund's 'wholesale' units. Any reference to this Fund in this PDS is a reference to wholesale units in that Fund.
- 6 Interest rate duration is a measure, expressed as a number of years, of the sensitivity of the principal value of a fixed income investment to a change in interest rates. Generally, the closer duration is to zero the less interest rate risk there is in the Fund.
- 7 The constitution for Perpetual High Grade Treasury Fund allows for multiple unit classes. This PDS offers investment in the Fund's 'Class R' units. Any reference to this Fund in this PDS is a reference to Class R units in that Fund. A separate 'wholesale' class of units is currently offered to wholesale clients (as defined in the Corporations Act 2001) via Information Memorandum.
- 8 This is the commencement date for Class R units. Perpetual High Grade Treasury Fund commenced as a registered managed investment scheme in October 2001.
- 9 The Fund invests predominantly in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 20% exposure to international shares listed on or proposed to be listed on any recognised global exchange. Currency hedges may be used from time to time.
- 10 The gearing level is the Fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the Fund's net income (income after fees and expenses and excluding franking credits) and the cost of borrowings. The Fund has a gearing range of 0-60%, with the typical target level within this range being between 50-60%. This target is only an indication of the targeted gearing level of the Fund. Actual gearing levels of the Fund may differ. If the Fund's gearing level exceeds 60% (due to withdrawals or negative market movements), Perpetual will reduce the gearing level to 60% (or lower) within a reasonable period of time by repaying part of the borrowings through inflows or selling some of the Fund's assets.
- 11 The Fund invests predominantly in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 10% exposure to international shares listed on or proposed to be listed on any recognised global exchange. Currency hedges may be used from time to time.
- 12 The net market exposure is the value of the Fund's long positions minus the value of the Fund's short positions. The Fund predominantly holds short positions in Australian shares but may have up to 10% exposure to short positions in international shares.
- 13 The Fund may invest in shares listed on or proposed to be listed on any recognised Australian exchange.
- 14 The constitution for Perpetual Global Share Fund allows for multiple unit classes. This PDS offers investment in the Fund's 'Class A' units. Any reference to this Fund in this PDS is a reference to Class A units in that Fund.
- 15 The Fund commenced in November 2009 as an unregistered fund, with Perpetual Group as its sole investor. The first public offer to invest in the Fund following the Fund's registration with ASIC as a managed investment scheme occurred in August 2014.
- 16 Cash may be held in Australian dollars (AUD) or foreign currencies.
- 17 Irrespective of the Fund name, Perpetual Wholesale Conservative Growth Fund has a Standard Risk Measure risk band rating of 5. It has been estimated that this Fund may have 3 to less than 4 negative annual returns over any 20-year period.
- 18 The Fund may gain its exposure to Australian shares by investing in one or more underlying Australian share funds. Where the Fund invests in Perpetual Australian Share Fund, that underlying fund invests predominantly in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 20% exposure to international shares listed on or proposed to be listed on any recognised global exchange. The investment guidelines showing the 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.
- 19 This Fund may invest in fixed income funds that allow gearing.
- 20 Perpetual may allocate up to 30% of the portfolio to other assets which may include, but is not limited to, infrastructure, mortgages (including mezzanine mortgages), private equity, opportunistic property, absolute return funds, commodities and real return strategies. Exposure to other assets aims to enhance the Fund's diversification and may help reduce volatility.
- 21 Inflation is defined as the quarterly All Groups Consumer Price Index (CPI), as measured and published by the Australian Bureau of Statistics. Whilst the median of the target inflation rate published by the Reserve Bank is used as a proxy for CPI for the purpose of determining performance fees payable on Class Z units in Perpetual Diversified Real Return Fund, this does not impact the target objective of the Fund.
- 22 International shares may include some exposure to Australian shares and vice versa. The combined exposure to Australian and international shares is subject to a maximum of 70%.
- 23 Other investments may include, but are not limited to, hedge fund replication strategies, insurance-linked strategies, specialist credit and structured products and private market investments.
- 24 Illiquid assets are defined as assets within the above allocations that have no readily available secondary market and are not marketable securities. Units in unlisted funds are considered illiquid where underlying assets meet that definition.

ADDITIONAL INVESTMENT INFORMATION

USE OF DERIVATIVES

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

Derivatives may be used in the management of the Funds for a range of investment activities including, but not limited to, the following purposes:

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

The use of derivatives is consistent with each Fund's investment guidelines and objectives.

Investing in derivatives can expose a Fund to additional risks. Please refer to 'Derivatives risk' within the 'Significant risks' table on page 3 for more information.

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND ETHICAL FACTORS

Increasingly, investment managers are developing their own policies regarding their method for considering environmental, social (which includes labour standards) and governance (ESG) factors which may influence the purchase, sale or retention of an individual investment.

Perpetual Investments has a long-standing commitment to responsible investment, and in 2009 became a signatory to the United Nations supported Principles for Responsible Investment (PRI). PRI signatories recognise the growing social and political expectation that the companies they invest in conduct themselves responsibly and sustainably. Our commitment to PRI acknowledges that, as a company and as an industry, we must continue to improve our understanding of how ESG factors impact investment returns for individual assets and across the economy.

PERPETUAL ETHICAL SRI CREDIT FUND AND PERPETUAL WHOLESALE ETHICAL SRI FUND

Perpetual evaluates companies, issuers and derivative counterparties (as applicable) that meet the investment approach, set out in the 'Fund profiles' on pages 9 and 12, on a range of environmental, social (including labour standards), governance and ethical issues to determine their suitability for inclusion/retention in, or divestment from, the portfolios of these Funds. We seek to invest in quality companies or issuers that have satisfied our range of ethical and socially responsible investment criteria.

There are two main steps to the process, namely ethical screening and socially responsible investment (SRI) screening, utilising research from external specialists.

ETHICAL SCREENING

We don't invest in companies or issuers that derive a material proportion (5% or more) of their revenue from:

- the manufacture or sale of alcohol or tobacco
- the operation of gambling facilities or the manufacture or supply of gambling products
- fossil fuels (upstream)
- uranium and nuclear
- animal cruelty (cosmetic testing)
- genetic engineering
- pornography
- armaments (including weapons).

SOCIALLY RESPONSIBLE INVESTMENT (SRI) SCREENING

Companies or issuers remaining after the ethical screening are then subject to an SRI screening.

Companies or issuers are scored on a broad range of ESG issues. This evaluates how a company's or issuer's business practices impact society and the environment.

Companies or issuers can receive negative scores for poor behaviour, such as a poor approach to human rights, the environment or supply chain. They can also receive positive scores for worthwhile activities, such as the use of renewable energy, positive employee policies or charity commitment. Corporate governance issues are also considered, including ethics and corporate misconduct. We believe this approach allows us to be more innovative in where we can add value for investors as it identifies companies that have responded positively to social and ethical issues. All company or issuer scores are totalled and companies or issuers that receive a negative total score fail this screen.

The Funds' investments are regularly reviewed to determine whether they continue to pass the ethical SRI screening process when updated information is received. If we become aware that a Fund is invested in a company or issuer that no longer passes the ethical SRI screening process, the investment must be divested promptly from the Fund within 60 days, subject to liquidity and other practical considerations aimed at ensuring the Fund's investors are not impacted negatively.

Where a company or issuer is not covered by our research provider, we may invest in the asset (following preliminary internal analysis on the company's or issuer's ethical and SRI attributes) until coverage is initiated. Should the stock or issuer fail the screening process when coverage commences, the asset will be sold as described above.

In rare circumstances where an issue that has caused an exclusion is deemed to be minor, we may override the exclusion for that issue, or for a period of time while the company or issuer rectifies the issue. These decisions are made independently of the Funds' portfolio managers to ensure conflicts of interest do not occur.

Emerging issues are monitored to ensure that the screening criteria remains relevant and in the spirit of the Funds. From time to time, and with the advice of our research provider, we may alter the screening criteria to take account of these emerging issues. We may engage with companies that are at risk from emerging issues to encourage them to consider the issue and improve their practices. We can modify the screening process for Perpetual Ethical SRI Credit Fund and Perpetual Wholesale Ethical SRI Fund at any time.

PERPETUAL ETHICAL SRI CREDIT FUND

Sovereign issuers (governments) will be analysed on ESG factors, based on a scoring system utilising research from external specialists. This may include, but is not limited to, considering any unethical practices such as corruption, rule of law and political instability of the sovereign.

PERPETUAL ETHICAL SRI CREDIT FUND AND PERPETUAL ETHICAL SRI FUND



CERTIFIED BY RIAA

The Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Perpetual Ethical SRI Credit Fund and Perpetual Wholesale Ethical SRI Fund adhere to the strict disclosure practices required under the Responsible Investment Certification Program for the category of Fund Manager. The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Perpetual Ethical SRI Credit Fund's and Perpetual Wholesale Ethical SRI Fund's methodology, performance and stock holdings can be found at www.responsibleinvestment.org, together with details about other responsible investment products certified by RIAA.¹

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

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

FUND HOLDINGS

Documents containing the latest 'Full holdings disclosure' for Perpetual Ethical SRI Credit Fund and Perpetual Wholesale Ethical SRI Fund are available at our website (see 'Other documents' on page 41 for details) or you can obtain a copy free of charge by contacting us.

OTHER FUNDS

Apart from Perpetual Ethical SRI Credit Fund and Perpetual Wholesale Ethical SRI Fund, our consideration of ESG factors for the Funds does not include making ethical or moral judgements on particular practices or issues. Instead, when deciding whether to buy, retain or sell an investment, we consider those ESG risks only to the extent that they are relevant to the current or future value of the investment. We may also actively engage with companies or issuers to encourage them to improve their ESG practices where we believe it is in the interest of a Fund's investors.

ADDITIONAL INFORMATION ABOUT CERTAIN 'COMPLEX' FUNDS

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

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

PERPETUAL WHOLESALE SHARE-PLUS LONG-SHORT FUND

Perpetual Wholesale SHARE-PLUS Long-Short Fund is required to provide the above additional information since its investment strategy includes short selling and the Fund charges a performance fee.

PERPETUAL DIVERSIFIED REAL RETURN FUND

Perpetual Diversified Real Return Fund is required to provide the above additional information because of the Fund's potentially extensive use of derivatives to implement its asset exposures and since the Fund's Class Z units charges a performance fee.

ADDITIONAL INFORMATION

The following 'Key features' table provides a summary of how Perpetual complies with this requirement for these Funds. To the extent that any particular details are not already contained within this document, additional information, which also forms part of this PDS, will be available at our website (see 'Incorporation by reference' on page 41 for details) or can be obtained free of charge by contacting us.

KEY FEATURES

FEATURE	PERPETUAL WHOLESALE SHARE-PLUS LONG-SHORT FUND	PERPETUAL DIVERSIFIED REAL RETURN FUND
Periodic reporting	<p>The following information, updated at least annually, will be available at our website:</p> <ul style="list-style-type: none"> the derivative counterparties engaged by the Fund details of key service providers. <p>The following information, updated monthly, will be available at our website:</p> <ul style="list-style-type: none"> the asset allocations of the Fund, including the geographic location of any material international assets the Fund's long, short and net position percentages net asset value of the Fund net returns of the Fund any material changes in the Fund's risk profile any material changes in the Fund's investment strategy. 	<p>The following information, updated at least annually, will be available at our website:</p> <ul style="list-style-type: none"> the derivative counterparties engaged by the Fund details of key service providers. <p>The following information, updated monthly, will be available at our website:</p> <ul style="list-style-type: none"> the asset allocations of the Fund, including the geographic location of any material international assets net asset value of the Fund net returns of the Fund any material changes in the Fund's risk profile any material changes in the Fund's investment strategy.
Investment strategy	<p>The objective, investment approach and investment guidelines for the Fund are shown in the Fund's profile on page 13.</p> <p>You should also refer to 'Understanding investment risk' on page 3 for information about the risks of investing in the Funds and how these risks are managed.</p>	<p>The objective, investment approach and investment guidelines for the Fund are shown in the Fund's profile on page 17.</p>
Investment manager	<p>Perpetual is the responsible entity and investment manager of the Funds – refer 'About Perpetual Investments' on page 2 for further information. The biographies of the Funds' portfolio managers are available at www.perpetual.com.au/about-asset-management-team.aspx.</p>	
Fund structure	<p>The Funds may invest in assets directly or indirectly via other Perpetual managed funds that have compatible investment objectives and authorised investments – refer 'Fund structures' on page 25 for further information.</p> <p>The Funds' ongoing annual fees and costs include management fees and costs, performance fees and transaction costs – refer 'Ongoing annual fees and costs' on page 29 for details.</p>	
Valuation, location and custody of assets	<p>The Fund invests primarily in listed Australian shares and cash (refer 'Asset classes available' on page 2 for descriptions of these types of assets) following the 'Investment guidelines' and 'Investment approach' detailed in the Fund's profile on page 13.</p> <p>There are no specific guidelines or constraints on the geographic location of the Fund's international assets. Shares may be listed or proposed to be listed on any recognised global exchange.</p>	<p>The Fund invests in a diverse range of asset classes (refer 'Asset classes available' on page 2 for descriptions of the main types of assets) following the 'Investment guidelines' and 'Investment approach' detailed in the Fund's profile on page 17.</p> <p>There are no specific guidelines or constraints on the geographic location of the Fund's international assets.</p>
	<p>All of the Funds' investments are valued at market value by an independent investment administrator appointed by Perpetual (refer 'Key service providers' on page 25 for further information). The net asset values of the Funds are generally determined each business day – refer to 'How units are priced and investments are valued' on page 39 for further information.</p> <p>Perpetual has also appointed an independent custodian to hold the Funds' assets – refer 'Key service providers' on page 25 for further information.</p>	

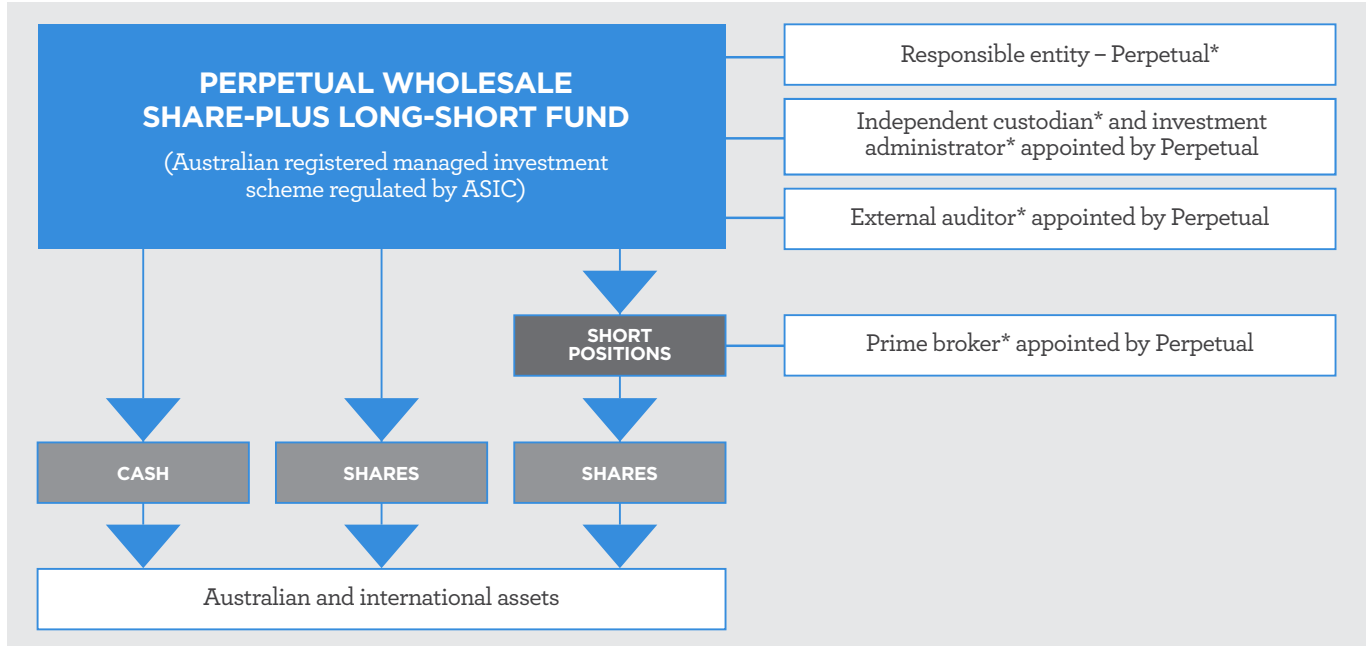
KEY FEATURES (CONTINUED)

FEATURE	PERPETUAL WHOLESALE SHARE-PLUS LONG-SHORT FUND	PERPETUAL DIVERSIFIED REAL RETURN FUND
Liquidity	<p>Since the Fund invests predominantly in shares listed on major Australian and global exchanges, under normal market conditions we expect that at least 80% of the Fund's assets could be liquidated at market value within 10 days. The Fund is therefore considered liquid and is operated as a liquid managed investment scheme.</p> <p>Refer 'Liquidity risk' on page 3, 'Withdrawals' on page 36 and 'Suspension of applications and withdrawals' on page 40 for further information.</p>	<p>Under normal market conditions we expect that at least 80% of the Fund's assets could be liquidated at market value within 10 days. The Fund is therefore considered liquid and is operated as a liquid managed investment scheme.</p>
Leverage	<p>Borrowing is only permitted for short-term cash management purposes and cannot be used to leverage the Funds.</p>	
Derivatives	<p>Derivatives may be used in the management of the Fund. The derivatives used by the Fund are mostly exchange-traded derivatives.</p> <p>Refer 'Use of derivatives' on page 21 for details and 'Derivatives risk' on page 3 for information about associated risks. Uncovered derivative positions are not permitted.</p> <p>For any OTC derivatives, counterparties must have minimum long and short-term credit ratings from a recognised ratings agency that are acceptable to us. A list of counterparties currently approved by Perpetual for any OTC derivatives used in managing the Funds is available at our website.</p>	<p>The Fund may implement a considerable amount of its exposures to the various asset classes via both exchange-traded and over-the-counter (OTC) derivatives.</p>
Short selling	<p>The Fund uses short selling as a key part of its investment strategy – refer 'Short-position risk' and 'Prime broker risk' on page 4 for information about particular associated risks.</p> <p>Short positions are actively monitored and may be closed if there are concerns over the market price or market liquidity. A stock will be purchased, closing out the short position, if:</p> <ul style="list-style-type: none"> • its stop loss limit is reached • its valuation is no longer attractive • market sentiment on the stock has changed. 	<p>The Fund does not engage in short selling.</p>
Withdrawals	<p>You can generally withdraw all or part of your investment in the Funds at any time as long as you maintain the required minimum balance after any partial withdrawal from the Fund – refer 'Withdrawals' on page 36 and 'Suspension of applications and withdrawals' on page 40 for further information.</p>	

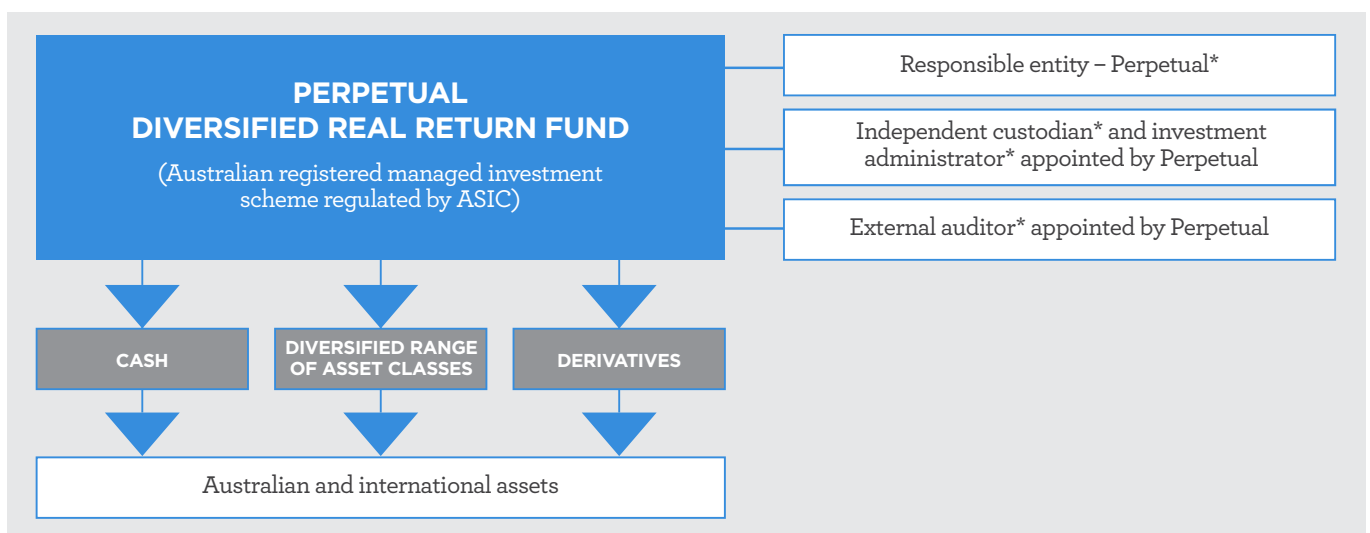
FUND STRUCTURES

The following diagrams illustrate the investment structures that apply to the Funds at the date of this PDS.

PERPETUAL DIVERSIFIED REAL RETURN FUND



PERPETUAL DIVERSIFIED REAL RETURN FUND



* All of these entities are located in Australia.

KEY SERVICE PROVIDERS

Perpetual has appointed independent service providers to provide the following key services for the Funds:

- investment administration
- custody
- prime brokerage (for Perpetual Wholesale SHARE-PLUS Long-Short Fund only)
- audit
- unit registry.

Current details of these key service providers at any time are publicly available at our website (see ‘Incorporation by reference’ on page 41 for details) or can be obtained free of charge by contacting us.

Perpetual monitors the investment administrator, custodian, prime broker and unit registry service provider in a number of ways, including:

- obtaining internal controls reports which are independently audited
- holding regular relationship meetings
- receiving periodic compliance certifications.

FEES AND OTHER COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC) MoneySmart** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

FEES AND COSTS SUMMARY

FEES AND OTHER COSTS

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for particular Funds are set out on pages 29-30 and 33-34.

Any additional fees that you may be charged by your Service operator for investing in the Funds via their Service will be set out in your Service operator's disclosure document.

FEES AND COSTS SUMMARY

PERPETUAL WHOLESALE FUNDS		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
ONGOING ANNUAL FEES AND COSTS		
Management fees and costs The fees and costs for managing your investment	Management fees and estimated management costs range between 0.30% and 1.175% pa in total, depending on the Fund (see the 'Estimated ongoing annual fees and costs' table on pages 29-30 for details).	Management fees, which are generally expressed as a percentage of the net asset value of each Fund, are calculated and accrued daily and generally paid to us monthly. They are deducted directly from each Fund's assets and reflected in its unit price. We may negotiate our management fees with your Service operator. ¹ Management costs may be charged directly to a Fund and/or incurred indirectly in underlying funds.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Estimated performance fees range between 0.03% and 2.47% pa for relevant Funds, depending on the Fund (see the 'Estimated ongoing annual fees and costs' table on pages 29-30 for details).	A performance fee is an amount paid or payable in relevant Funds only if the Fund's investment return exceeds its performance hurdle (and any other conditions are also met). Where applicable, performance fees are generally accrued in the Fund's unit price.
Transaction costs The costs incurred by the scheme when buying or selling assets	Estimated transaction costs range between -0.02%–0.96% pa, depending on the Fund (see the 'Estimated ongoing annual fees and costs' table on pages 29-30 for details).	All transactions costs are paid out of the Fund's assets and reflected in its unit price. This amount represents net transaction costs borne by all investors after any buy/sell spread recoveries charged on investor-initiated transactions (see 'Buy/sell spread' below).
MEMBER ACTIVITY RELATED FEES AND COSTS (fees for services or when your money moves in or out of the product)		
Establishment fee The fee to open your investment	Nil.	Not applicable.
Contribution fee The fee on each amount contributed to your investment	Nil.	Not applicable.
Buy/sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	0.10%–0.75% (total spread), depending on the Fund (see 'Buy/sell spread' on page 33 for details).	Estimated transaction costs are allocated when an investor buys or sells units in a Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate.
Withdrawal fee The fee on each amount you take out of your investment	Nil.	Not applicable.

FEES AND COSTS SUMMARY (CONTINUED)

PERPETUAL WHOLESALE FUNDS		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
MEMBER ACTIVITY RELATED FEES AND COSTS (fees for services or when your money moves in or out of the product)		
Exit fee The fee to close your investment	Nil.	Not applicable.
Switching fee The fee for changing investment options	Nil.	Not applicable.

1 See 'Differential fees' within the 'Additional explanation of fees and costs' section on page 31 for further information.

EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the ongoing annual fees and costs in Perpetual Wholesale Balanced Growth Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE - PERPETUAL WHOLESALE BALANCED GROWTH FUND		BALANCE OF \$50,000 ¹ WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.00
PLUS Management fees and costs	1.08%	And , for every \$50,000 you have in the Perpetual Wholesale Balanced Growth Fund you will be charged or have deducted from your investment \$540.00 each year
PLUS Performance fees	Nil	And , you will be charged or have deducted from your investment \$0.00 in performance fees each year
PLUS Transaction costs	0.22%	And , you will be charged or have deducted from your investment \$110.00 in transaction costs
EQUALS Cost of Perpetual Wholesale Balanced Growth Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$650.00 . [*] What it costs you will depend on the Fund you choose and the fees you negotiate.

1 We have assumed a constant value of \$50,000 for the whole year.

* Additional fees may apply:

A **buy spread** of 0.30%, equal to \$15.00 on a \$5,000 contribution, will also apply. **And**, if you leave the managed investment scheme, you will be charged a **sell spread** of 0.00%, equal to \$0.00 for every \$50,000 you withdraw. See 'Buy/sell spread' on page 33 for further information.

COST OF PRODUCT INFORMATION

Cost of product information for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your investment over a 1-year period for all Funds. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product assumes a balance of \$50,000 at the beginning of the year with a contribution of \$5,000 during the year. (Additional fees such as a buy/sell spread may apply – refer to the ‘Fees and costs summary’ on page 26 for the relevant Fund.)

You should use this figure to help compare this product with other products offered by managed investment schemes.

FUND	COST OF PRODUCT
Perpetual Wholesale Active Fixed Interest Fund	\$245.00
Perpetual Wholesale Diversified Income Fund	\$455.00
Perpetual Wholesale Dynamic Fixed Income Fund	\$420.00
Perpetual Ethical SRI Credit Fund	\$525.00
Perpetual Wholesale High Grade Floating Rate Fund	\$140.00
Perpetual Wholesale Income Share Fund	\$600.00
Perpetual Wholesale Australian Share Fund	\$655.00
Perpetual Wholesale Concentrated Equity Fund	\$615.00
Perpetual Wholesale Ethical SRI Fund	\$632.50
Perpetual Wholesale Geared Australian Share Fund	\$1,440.00 ¹
Perpetual Wholesale Industrial Share Fund	\$605.00
Perpetual Wholesale SHARE-PLUS Long-Short Fund	\$970.00 ²
Perpetual Wholesale Smaller Companies Fund	\$760.00
Perpetual Global Innovation Share Fund	\$2,215.00
Perpetual Wholesale Global Share Fund	\$835.00
Perpetual Wholesale Conservative Growth Fund	\$555.00
Perpetual Wholesale Diversified Growth Fund	\$580.00
Perpetual Diversified Real Return Fund – Class W units	\$540.00
Perpetual Diversified Real Return Fund – Class Z units	\$345.00
Perpetual Wholesale Balanced Growth Fund	\$650.00
Perpetual Wholesale Split Growth Fund	\$505.00
Perpetual’s Australian Share Fund	\$645.00
Perpetual Balanced Growth Fund No. 2	\$650.00

1 Assumes an average gearing level of 50% of the Fund’s gross asset value (GAV) – see footnote 4 to the ‘Estimated ongoing annual fees and costs’ table on page 30 for further information.

2 Assumes the sum of the Fund’s long and short positions averages 140% – see footnote 5 to the ‘Estimated ongoing annual fees and costs’ table on page 30 for further information.

ADDITIONAL EXPLANATION OF FEES AND COSTS

ONGOING ANNUAL FEES AND COSTS

The total ongoing annual fees and costs for each Fund comprises:

- management fees and costs
- any applicable performance fees in relevant Funds
- transaction costs.

The amounts shown in the following 'Estimated ongoing annual fees and costs' table include all management fees, estimated management costs, estimated performance fees and estimated transaction costs as at the date of the PDS. Any updates from time to time, which are not materially adverse, will be available at our website.

Ongoing annual fees and costs may vary in future years. Updated details will also be available at our website each year.

ESTIMATED ONGOING ANNUAL FEES AND COSTS

FUND	ESTIMATED MANAGEMENT FEES AND COSTS		ESTIMATED PERFORMANCE FEES (% PA) ²	ESTIMATED TRANSACTION COSTS (% PA) ³	ESTIMATED TOTAL ONGOING ANNUAL FEES AND COSTS (% PA)
	MANAGEMENT FEES (% PA)	ESTIMATED MANAGEMENT COSTS (% PA) ¹			
FIXED INCOME					
Perpetual Wholesale Active Fixed Interest Fund	0.40%	0.00%	n/a	0.09%	0.49%
Perpetual Wholesale Diversified Income Fund	0.59%	0.00%	n/a	0.32%	0.91%
Perpetual Wholesale Dynamic Fixed Income Fund	0.45%	0.00%	n/a	0.39%	0.84%
Perpetual Ethical SRI Credit Fund	0.59%	0.00%	n/a	0.46%	1.05%
Perpetual Wholesale High Grade Floating Rate Fund	0.30%	0.00%	n/a	-0.02%	0.28%
SHARE INCOME					
Perpetual Wholesale Income Share Fund	0.99%	0.00%	n/a	0.21%	1.20%
AUSTRALIAN SHARES					
Perpetual Wholesale Australian Share Fund	0.99%	0.00%	n/a	0.32%	1.31%
Perpetual Wholesale Concentrated Equity Fund	1.10%	0.00%	n/a	0.13%	1.23%
Perpetual Wholesale Ethical SRI Fund	1.175%	0.00%	n/a	0.09%	1.265%
Perpetual Wholesale Geared Australian Share Fund	1.17% ^{(GAV)⁴} 2.34% ^{(NAV)⁴}	0.00%	n/a	0.54%	1.71%^{(GAV)⁴} 2.88%^{(NAV)⁴}
Perpetual Wholesale Industrial Share Fund	0.99%	0.00%	n/a	0.22%	1.21%
Perpetual Wholesale SHARE-PLUS Long-Short Fund	0.99% ^{(GAV)⁵} 1.39% ^{(NAV)⁵}	0.00%	0.03% ⁶	0.52%	1.54%^{(GAV)⁵} 1.94%^{(NAV)⁵}
Perpetual Wholesale Smaller Companies Fund	1.25%	0.00%	n/a	0.27%	1.52%
GLOBAL SHARES					
Perpetual Global Innovation Share Fund	0.99%	0.01%	2.47% ⁷	0.96%	4.43%
Perpetual Wholesale Global Share Fund	0.99%	0.02%	0.00%	0.66%	1.67%

ESTIMATED ONGOING ANNUAL FEES AND COSTS (CONTINUED)

FUND	ESTIMATED MANAGEMENT FEES AND COSTS		ESTIMATED PERFORMANCE FEES (% PA) ²	ESTIMATED TRANSACTION COSTS (% PA) ³	ESTIMATED TOTAL ONGOING ANNUAL FEES AND COSTS (% PA)
	MANAGEMENT FEES (% PA)	ESTIMATED MANAGEMENT COSTS (% PA) ¹			
DIVERSIFIED – CONSERVATIVE					
Perpetual Wholesale Conservative Growth Fund	0.90%	0.04%	n/a	0.17%	1.11%
DIVERSIFIED – BALANCED					
Perpetual Wholesale Diversified Growth Fund	0.96%	0.04%	n/a	0.16%	1.16%
Perpetual Diversified Real Return Fund – Class W units	0.85%	0.06%	n/a	0.17%	1.08%
Perpetual Diversified Real Return Fund – Class Z units	0.35%	0.06%	0.11% ⁸	0.17%	0.69%
DIVERSIFIED – GROWTH					
Perpetual Wholesale Balanced Growth Fund	1.04%	0.04%	n/a	0.22%	1.30%
Perpetual Wholesale Split Growth Fund	0.55%	0.01%	n/a	0.45%	1.01%
CLOSED FUNDS					
Perpetual's Australian Share Fund	0.99%	0.00%	n/a	0.30%	1.29%
Perpetual Balanced Growth Fund No. 2	1.04%	0.04%	n/a	0.22%	1.30%

- 1 Since we currently choose to pay normal operating expenses out of our management fee, estimated management costs represent any abnormal operating expenses recovered from the Funds and any other indirect management costs (see 'Abnormal operating expenses' on page 31 and 'Other indirect management costs' on page 31 for further information) for the financial year ended 30 June 2020, which may vary in future years without notice.
- 2 **Performance fees should not be considered in isolation of investment returns. Past performance and these estimates are not indicative of future returns.** Performance fees payable in the future may vary depending on the Funds' actual performance. See 'Performance fees' on page 31 for further information.
- 3 Estimated transaction costs represent **net** transaction costs borne by all investors in a Fund after any buy/sell spread recoveries charged on investor-initiated transactions for the financial year ended 30 June 2020, which may vary in future years without notice. **Transaction costs should not be considered in isolation of investment returns.** It is important to understand that actively managed investments are likely to have higher transaction costs than passively managed investments, such as index funds, because of the higher expected volume of trading of the portfolio's assets in generating investment returns.
- 4 The two management fee percentages shown for Perpetual Wholesale Geared Australian Share Fund are based on the Fund's **management fee of 1.17% pa charged on its gross asset value (GAV)**, which equates to a **management fee of 2.34% pa of the Fund's net asset value (NAV)** assuming an average gearing level of 50%. If the average gearing level in the Fund over the year is lower or higher than 50%, the Fund's management fee based on NAV will be respectively lower or higher than 2.34% pa.
- 5 The two management fee percentages shown for Perpetual Wholesale SHARE-PLUS Long-Short Fund are based on the Fund's **management fee of 0.99% pa charged on the sum of its long and short positions (GAV)**, which equates to a **management fee of 1.39% pa** (1.386% pa rounded up to two decimal places) **of the Fund's net asset value (NAV)** assuming the sum of its long and short positions (maximum 150%) averages 140% over the year. If the average sum of the Fund's long and short positions over the year is lower or higher than 140%, the Fund's management fee based on NAV will be respectively lower or higher than 1.39% pa.
- 6 This estimate is based on average annual performance fees charged in Perpetual Wholesale SHARE-PLUS Long-Short Fund for the previous five financial years ended 30 June 2020. See 'Historical performance fees' on page 32 for further information.
- 7 This estimate is based on average annual performance fees charged in Perpetual Global Innovation Share Fund since its inception (May 2017) to 30 June 2020. See 'Historical performance fees' on page 32 for further information.
- 8 This estimate is based on average annual performance fees charged in Perpetual Diversified Real Return Fund – Class Z units since its inception (May 2018) to 30 June 2020. See 'Historical performance fees' on page 32 for further information.

MANAGEMENT FEES AND COSTS

MANAGEMENT FEES

We receive management fees for managing and administering the Funds and overseeing the Funds' investments.

Any management fees payable to specialist investment managers are paid out of our management fees.

PERPETUAL WHOLESALE DIVERSIFIED INCOME FUND AND PERPETUAL WHOLESALE GEARED AUSTRALIAN SHARE FUND

Under these Funds' constitutions, we can choose to be issued with units for our management fee.

DIFFERENTIAL FEES

We may negotiate a rebate of all or part of our management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group. The payment and terms of rebates are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy. Some Funds may also have a separate class of units to facilitate the negotiation of the management fee amount with, and means of payment by, relevant wholesale investors.

MANAGEMENT COSTS

Management costs may include:

- any operating expenses which are not paid out of our management fees (see 'Abnormal operating expenses' below)
- other indirect management costs.

OPERATING EXPENSES

We're entitled to charge to the Funds or be reimbursed from the Funds for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Funds.

There is no limit in the Funds' constitutions on the amount that can be recovered for expenses that are reasonably and properly incurred.

Normal operating expenses

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

We currently choose to pay normal operating expenses, excluding any operational borrowing costs (see 'Borrowing costs' on page 34 for further information), out of our management fee.

Abnormal operating expenses

Abnormal operating expenses aren't generally incurred during the day-to-day operation of a Fund and aren't necessarily incurred in any given year. They're due to abnormal events like the cost of running an investor meeting, or legal costs incurred by changes in a Fund's constitution.

Any abnormal operating expenses charged to a Fund will be an additional management cost for the relevant year for that Fund.

OTHER INDIRECT MANAGEMENT COSTS

Derivatives

Management costs may also be incurred if a Fund or underlying fund invests in any relevant derivatives.

Management fees and costs in underlying funds

The following also applies where a Fund invests into an underlying fund (including exchange traded funds).

Managers of underlying funds will generally charge a management fee for their services. These fees will be deducted from the underlying funds and reflected in their unit price. With the exception of exchange traded funds and some unlisted securities, Perpetual will otherwise compensate the Fund for these amounts so they are not an indirect management cost to you.

Managers of underlying funds may also charge expense recoveries to their underlying funds, 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 management cost to you.

PERFORMANCE FEES

Performance fees may apply in:

- Perpetual Wholesale SHARE-PLUS Long-Short Fund
- Perpetual Global Innovation Share Fund
- Perpetual Diversified Real Return Fund – Class Z units.

A performance fee may be charged if a relevant Fund's investment performance (as a whole) exceeds its performance hurdle and other conditions, as outlined below, are met.

PERPETUAL WHOLESALE SHARE-PLUS LONG-SHORT FUND

The performance hurdle for Perpetual Wholesale SHARE-PLUS Long-Short Fund is the S&P/ASX 300 Accumulation Index plus 2% per annum.

The daily performance fee is equal to 13.98% of the difference between the Fund's daily return and its performance hurdle multiplied by the Fund's adjusted net asset value (that is, net asset value inclusive of management fee accruals but excluding accrued performance fees).

PERPETUAL GLOBAL INNOVATION SHARE FUND

The performance hurdle for Perpetual Global Innovation Share Fund is the MSCI All Countries World Net Total Return Index (AUD).

The daily performance fee is equal to 20.00% of the difference between the Fund's daily return and its performance hurdle multiplied by the Fund's adjusted net asset value (that is, net asset value inclusive of management fee accruals but excluding accrued performance fees).

PERPETUAL DIVERSIFIED REAL RETURN FUND – CLASS Z UNITS (PERFORMANCE FEE OPTION)

The performance hurdle for Perpetual Diversified Real Return Fund – Class Z units is the median of the target inflation rate published by the Reserve Bank¹ (currently 2.5% based on a target inflation rate of 2-3% per annum).

1 The target inflation rate is used as a proxy for the Consumer Price Index (CPI) since CPI is a lagged indicator.

The daily performance fee is equal to 10.00% of the difference between the Fund's daily return and its performance hurdle multiplied by the Fund's adjusted net asset value (that is, net asset value inclusive of management fee accruals but excluding accrued performance fees), subject to a maximum performance fee of 1.00%.

HOW THE PERFORMANCE FEES WORK

The performance fee period is:

- yearly (currently from 1 July to 30 June) for Perpetual Diversified Real Return Fund – Class Z units
- half-yearly (currently from 1 April to 30 September and 1 October to 31 March) for other relevant Funds.

The relevant Funds' constitutions allow Perpetual to change the performance fee period, with 30 days' written notice to investors under the law.

The performance fee is calculated each business day and is based on the performance of the Fund after management fees and expenses have been deducted.

Where the daily performance fee is positive:

- it is added to any currently accrued performance fee and reflected in the Fund's daily unit price² or
- where there is no currently accrued performance fee, it is applied to reduce any carried forward negative amount.

2 Only until the maximum performance fee of 1% is reached for Perpetual Diversified Real Return Fund – Class Z units.

If the daily performance fee is negative:

- it is applied to reduce any currently accrued performance fee³ and, if the resultant amount is still positive, reflected in the Fund's daily unit price or

- where there is no currently accrued performance fee, the negative amount is carried forward and will need to be offset by future positive performance fees before any performance fee can be accrued and reflected in the Fund's unit price.

3 For Perpetual Diversified Real Return Fund – Class Z units only – it is first applied to reduce any notional performance fee above the 1% maximum.

The performance fee paid to Perpetual is equal to the performance fee accrual since the performance fee was last paid. It's payable only if:

- the performance fee at the end of the period is a positive amount and
- the Fund's return over the performance fee period is positive.

If the performance fee at the end of a period is a negative amount, this amount carries over to the first day of the next period. This means that we must make up any under-performance from the previous period before we can start accruing a performance fee.

If the performance fee is a positive amount, but the Fund's return over the performance fee period is negative, this accrual amount carries over to the first day of the next period.

For Perpetual Diversified Real Return Fund – Class Z units only, any notional performance fee above the 1% maximum is reset to zero. The amount does not carry over to the first day of the next period.

PERFORMANCE FEES IN UNDERLYING FUNDS

If a Fund invests into an underlying fund where the manager charges a performance fee based on the investment performance of their underlying fund, any performance fees payable will generally be deducted from the underlying fund and reflected in its unit price. If charged, any such performance fees will be an additional cost to you.

HISTORICAL PERFORMANCE FEES

The 'Historical performance fees' table on this page shows details of performance fees charged in relevant Funds over the previous five financial years ended 30 June 2020, as applicable. The estimated performance fees shown in the 'Fees and costs summary' table on page 26 are based on the average annual performance fees charged over these previous five financial years (or less if the Fund has been in operation for a shorter period).

HISTORICAL PERFORMANCE FEES

FUND	PERFORMANCE FEES – FINANCIAL YEAR ENDED 30 JUNE					AVERAGE ANNUAL PERFORMANCE FEES
	2016	2017	2018	2019	2020	
Perpetual Wholesale SHARE-PLUS Long-Short Fund	0.16%	0.00%	0.00%	0.00%	0.00%	0.03% pa
Perpetual Global Innovation Share Fund	n/a	0.00%	2.29%	0.19%	7.41%	2.47% pa
Perpetual Diversified Real Return Fund – Class Z units	n/a	n/a	0.06%	0.28%	0.00%	0.11% pa

TRANSACTION COSTS

In managing the investments of the Funds, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred in a Fund's investment portfolio, or when a Fund experiences cash flows in or out of it.

When a Fund incurs transaction costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its unit price.

Estimated transaction costs that are incurred because investors buy or sell units in a Fund are also paid from the Fund's assets, but they are recovered from those transacting investors by the transaction cost allowances that are included in the calculation of the Fund's entry and/or exit unit prices, where relevant, as described under 'Buy/sell spread' on this page.

Net transaction costs after any buy/sell spread recoveries charged on investor-initiated transactions, as shown in the 'Estimated ongoing annual fees and costs' table on pages 29-30, are a cost to all investors in a Fund.

Transaction costs may vary from year to year without notice to investors.

The following annual transaction cost information for each Fund based on the most recently completed financial year, which forms part of the PDS, is publicly available at our website (see 'Incorporation by reference' on page 41 for details) or can be obtained free of charge by contacting us:

- estimated total **gross** transaction costs
- estimated transaction costs recovered by buy/sell spreads on investor-initiated transactions
- estimated **net** transaction costs borne by all investors (the estimated percentage by which the Fund's investment return has been reduced by transaction costs not recovered by buy/sell spreads).

MEMBER ACTIVITY RELATED FEES AND COSTS

BUY/SELL SPREAD

Estimated transaction costs are allocated when an investor buys or sells units in a Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. We have discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

A buy/sell spread is an additional cost to you and will impact the return on your investment. The spread, if applicable, is based on our estimates of the average transaction costs incurred by a Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

Estimated transaction costs, which are used to determine the buy/sell spreads, are reviewed regularly. Consequently, the buy/sell spreads current as at the date of this PDS, as shown in the 'Buy/sell spreads' table on pages 33-34, may change (increase or decrease) during the life of this PDS. The current buy/sell spread for each Fund at any time (as amended), which forms part of the PDS, is publicly available at our website (see 'Incorporation by reference' on page 41 for details) or can be obtained free of charge by contacting us.

GST is not applicable to any buy/sell spread when you buy or sell units in the Funds.

BUY/SELL SPREADS

FUND	BUY SPREAD	SELL SPREAD
FIXED INCOME		
Perpetual Wholesale Active Fixed Interest Fund	0.10%	0.15%
Perpetual Wholesale Diversified Income Fund	0.10%	0.10%
Perpetual Wholesale Dynamic Fixed Income Fund	0.10%	0.12%
Perpetual Ethical SRI Credit Fund	0.10%	0.10%
Perpetual Wholesale High Grade Floating Rate Fund	0.05%	0.05%
SHARE INCOME		
Perpetual Wholesale Income Share Fund	0.15%	0.15%
AUSTRALIAN SHARES		
Perpetual Wholesale Australian Share Fund	0.30%	0.00%
Perpetual Wholesale Concentrated Equity Fund	0.15%	0.15%
Perpetual Wholesale Ethical SRI Fund	0.15%	0.15%
Perpetual Wholesale Geared Australian Share Fund	0.375%	0.375%
Perpetual Wholesale Industrial Share Fund	0.30%	0.00%
Perpetual Wholesale SHARE-PLUS Long-Short Fund	0.20%	0.20%
Perpetual Wholesale Smaller Companies Fund	0.15%	0.15%
GLOBAL SHARES		
Perpetual Global Innovation Share Fund	0.27%	0.27%
Perpetual Wholesale Global Share Fund	0.175%	0.125%
DIVERSIFIED - CONSERVATIVE		
Perpetual Wholesale Conservative Growth Fund	0.24%	0.00%
DIVERSIFIED - BALANCED		
Perpetual Wholesale Diversified Growth Fund	0.26%	0.00%
Perpetual Diversified Real Return Fund ¹	0.10%	0.11%

BUY/SELL SPREADS (CONTINUED)

FUND	BUY SPREAD	SELL SPREAD
DIVERSIFIED - GROWTH		
Perpetual Wholesale Balanced Growth Fund	0.30%	0.00%
Perpetual Wholesale Split Growth Fund	0.32%	0.00%
CLOSED FUNDS		
Perpetual's Australian Share Fund	0.15%	0.15%
Perpetual Balanced Growth Fund No. 2	0.30%	0.00%

1 These buy/sell spreads apply to both Class W units (standard fee option) and Class Z units (performance fee option) in Perpetual Diversified Real Return Fund.

FURTHER INFORMATION ABOUT FEES AND COSTS

BORROWING COSTS

Any borrowing costs are additional to the management fees and costs shown in the 'Fees and costs summary' table on page 26.

STRATEGIC BORROWING COSTS

Any strategic borrowing costs associated with Perpetual Wholesale SHARE-PLUS Long-Short Fund and Perpetual Wholesale Geared Australian Share Fund borrowing money or securities (such as interest, establishment fees, government charges and stock borrowing fees, as applicable) as part of their investment strategy are deducted from the relevant Fund's assets and reflected in its unit price.

OPERATIONAL BORROWING COSTS

Whilst we currently choose to pay normal operating expenses out of our management fee, if any Fund incurs any incidental borrowing costs for short-term operational purposes, these costs may be paid out of the Fund's assets and reflected in its unit price.

MAXIMUM FEES AND CHARGES

Each Fund's constitution allows us to charge maximum fees as outlined in the 'Maximum fees and charges' table on page 35.

Expense recoveries are unlimited under the Funds' constitutions.

Amounts disclosed are inclusive of GST unless stated otherwise.

INCREASES OR ALTERATIONS TO OUR FEES

We may change our fees without your consent. However, we won't increase our management fees or the basis for charging our performance fees, or introduce any new fees, without giving your Service operator at least 30-days' written notice.

Management costs, actual performance fees charged and transaction costs may vary each year without notice.

TAX

Tax information, including GST, is set out on page 38. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST.

ADVISER REMUNERATION

FINANCIAL ADVISER COMMISSIONS

No commissions are paid to your financial adviser.

OTHER BENEFITS

As a result of your investment in the Funds your financial adviser and/or Service operator may receive other non-monetary benefits (where allowed by law), which are not an additional cost to you.

PLATFORM ADMINISTRATION PAYMENTS

We may make payments to platform providers for administrative services associated with distributing our Funds on their investments menu (where allowed by law). These payments may help them recover their costs incurred in establishing our Funds on their menu and certain other marketing and distribution costs. If these payments are made, they are not paid by you or the Funds, but rather they are paid by us.

BENEFITS RECEIVED

As a result of brokerage paid by the Funds, we may receive benefits such as investment research, which we may use for any investment purpose, including for the Funds.

MAXIMUM FEES AND CHARGES

FUND	CONTRIBUTION FEE (%)	WITHDRAWAL FEE (%)	MANAGEMENT FEE (% PA)	PERFORMANCE FEE (%)
Perpetual Wholesale Active Fixed Interest Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Wholesale Australian Share Fund	4.00%	2.00%	2.04% ¹	n/a
Perpetual Wholesale Balanced Growth Fund	4.00%	2.00%	2.04% ¹	n/a
Perpetual Wholesale Concentrated Equity Fund	5.00%	5.00%	2.00% ²	n/a
Perpetual Wholesale Conservative Growth Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Wholesale Diversified Growth Fund	5.00%	5.00%	2.00% ²	n/a
Perpetual Wholesale Diversified Income Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Diversified Real Return Fund – Class W units (standard fee option)	4.00%	2.00%	3.00% ²	n/a
Perpetual Diversified Real Return Fund – Class Z units (performance fee option)	4.00%	2.00%	3.00% ²	10.00% ⁵
Perpetual Wholesale Dynamic Fixed Income Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Ethical SRI Credit Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Wholesale Ethical SRI Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Wholesale Geared Australian Share Fund	5.00%	5.00%	5.00% ²	n/a
Perpetual Global Innovation Share Fund	5.00%	5.00%	3.00% ²	30.00% ⁶
Perpetual Wholesale Global Share Fund	5.00%	5.00%	3.00% ²	30.00% ⁶
Perpetual Wholesale High Grade Floating Rate Fund	5.00%	5.00%	3.00% ²	n/a
Perpetual Wholesale Income Share Fund	n/a	n/a	1.00% ³	n/a
Perpetual Wholesale Industrial Share Fund	4.00%	2.00%	2.04% ¹	n/a
Perpetual Wholesale SHARE-PLUS Long-Short Fund	5.00%	5.00%	3.00% ^{2,4}	15.00% ⁶
Perpetual Wholesale Smaller Companies Fund	4.00%	2.00%	2.04% ¹	n/a
Perpetual Wholesale Split Growth Fund	3.00%	2.00% ⁷	4.00% ¹	n/a
CLOSED FUNDS				
Perpetual's Australian Share Fund	6.00%	n/a	1.098% ⁸	n/a
Perpetual Balanced Growth Fund No. 2	5.00%	n/a	2.141% ¹	n/a

1 Calculated on the Fund's net asset value.

2 Calculated on the Fund's gross asset value.

3 Percentage of the Fund's total asset value. The maximum management fee percentage shown in the table for Perpetual Wholesale Income Share Fund excludes any GST that the responsible entity may be entitled to be paid or reimbursed out of the assets of the Fund, as applicable.

4 Based on the sum of the Fund's long and short positions.

5 Based on the Fund's return above CPI.

6 Based on the Fund's return above its performance hurdle.

7 Subject to a maximum withdrawal fee of \$100 in respect of each withdrawal request.

8 Calculated based on the capital sums invested in the Fund.

HOW THE FUNDS OPERATE

When you invest in a Fund, your money is pooled with investments from other investors and used to buy assets for the Fund, which we manage on behalf of all investors.

As you are investing indirectly through a Service, you should contact your Service operator for details about the following as they may vary due to the Service operator's requirements:

- any minimum investment and withdrawal amounts
- processing requirements and timeframes
- distribution payment options
- identification verification procedures
- privacy policy.

You should also use any relevant application and other forms provided by your Service operator.

INVESTMENTS

You can invest in the Funds by directing your Service operator to lodge an investment application with us.

The PDS may be updated or replaced from time to time and you should read the current version before making any investment application in relation to the Funds. You can obtain a copy of the current PDS at our website or from your Service operator.

WITHDRAWALS

You can withdraw all or part of your investment in a Fund at any time by directing your Service operator to lodge a withdrawal request with us stating the number of units or the amount to be withdrawn.

The proceeds from your withdrawal will usually be available to your Service operator within 14 business days from when we have accepted the request, given normal operating conditions. The maximum periods allowed under the Funds' constitutions for payment of withdrawals, after we have accepted the request, are shown in the following table.

MAXIMUM PERIOD FOR PAYMENT OF WITHDRAWALS

MAXIMUM	FUNDS
150 days	Perpetual Diversified Real Return Fund
70 days	Perpetual Wholesale Active Fixed Interest Fund
	Perpetual Wholesale Diversified Income Fund
	Perpetual Wholesale Dynamic Fixed Income Fund
60 days	Perpetual Wholesale Geared Australian Share Fund
	Perpetual Wholesale SHARE-PLUS Long-Short Fund
21 days	Perpetual Ethical SRI Credit Fund
	Perpetual Global Innovation Share Fund
	Perpetual Wholesale Global Share Fund
30 days	All other Funds ¹

1 For Perpetual Wholesale Income Share Fund, the maximum 30 day period may be extended to up to 60 days or longer for large withdrawals (that is, if we estimate that the Fund must realise 10% of its assets to fund redemptions) or where we consider the delay is in investors' interests or the law requires or permits.

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of distributable income accrued in the Funds to the date of withdrawal as capital.

We may determine that part of your withdrawal amount represents a share of the distributable income including realised net capital gains for that distribution period. We will advise your Service operator if this happens.

HOW UNITS ARE ISSUED OR WITHDRAWN

Generally, if our Sydney office receives and accepts your Service operator's investment application or withdrawal request by 3.00pm on any business day, it will be processed using that day's entry or exit price (as applicable). If received and accepted after 3.00pm, it will be processed using the next calculated entry or exit price. If it's a non-working day for Perpetual in Sydney, it will be processed using the next available entry or exit price.

The number of units issued to your Service operator for investment applications is determined by dividing the investment amount by the applicable entry price. The number of units withdrawn for withdrawals is determined by dividing the withdrawal amount by the applicable exit price.

For current entry and exit prices, visit our website or contact us.

We have the discretion:

- not to accept applications and can delay processing them if we believe that's in the best interests of investors or if required by law (see 'Suspension of applications and withdrawals' on page 40 for more information)
- to accept transactions in our Sydney office up to 5.00pm on 30 June only (or the preceding business day should 30 June fall on a weekend).

We can delay processing withdrawal requests or stagger the payment of large amounts from a Fund according to its constitution if we believe that's in the best interests of investors (see 'Suspensions of applications and withdrawals' on page 40 for more information).

DISTRIBUTIONS

A distribution is the payment of a Fund's distributable income to investors at predetermined intervals. The distributable income may include interest, dividends, foreign income, realised net capital gains and other income (see 'Tax' on page 38 for further information). The components of a distribution will depend on the Fund you invest in and the nature of its underlying assets.

The distribution amount depends on the Fund's distributable income. The amount of your distribution will be proportionate to the number of units your Service operator holds on your behalf relative to the number of units on issue at the end of the distribution period. The amount will vary and sometimes there might not be any distribution.

At the end of each distribution period, a Fund's unit price will typically fall as it is adjusted to reflect the amount of any distribution. As your distribution amount is based on the entire distribution period, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

Distribution frequencies and effective dates for distributions for each Fund are shown in the 'Fund profiles' on pages 8-19. Distributions not reinvested are generally paid to your Service operator within 21 days. However, the Funds' constitutions allow up to 90 days (depending on the Fund) after the end of the distribution period.

Each Fund's constitution lets us make special distributions on an interim basis without prior notice to you.

Any realised net capital gains are generally included in the 30 June distribution.

DISTRIBUTION PAYMENT OPTIONS

Please refer to your Service operator for details of any distribution payment options.

We can determine to reinvest part or all of your distribution in a Fund.

As the Funds have elected into the AMIT regime, there may be implications for distributions (see 'Tax' on page 38 for details).

INTEREST EARNED ON APPLICATION, WITHDRAWAL AND DISTRIBUTION ACCOUNTS

Application money, proceeds of withdrawal requests and distribution amounts are held in trust accounts prior to being processed. A member of the Perpetual Group retains any interest earned on these accounts.

TAX

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

As you are investing indirectly through a Service, you should also refer to your Service operator for further information about the tax treatment of your investment in the Funds.

ATTRIBUTION MANAGED INVESTMENT TRUST (AMIT) REGIME

The Funds have elected into the AMIT regime.

TAX POSITION OF THE FUNDS

Generally, Australian income tax won't be payable by the Funds.

Under the AMIT regime, each year, we are required to break down the income of each Fund (net of fees and expenses) into trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (eg franking credit offsets).

A Fund will not be subject to income tax provided that all of the determined trust components are attributed to investors on a fair and reasonable basis and in accordance with its constitution and any other constituent documents of the Fund (which includes this PDS).

Investors will be subject to tax on the income of the Funds that is attributed to them each year ending 30 June. If there is income of a Fund that is not attributed to an investor, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

AUSTRALIAN RESIDENT INVESTORS

DISTRIBUTIONS

For information about the calculation of your distribution entitlement, see 'Distributions' on page 37.

The income of the Funds attributed to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year – see 'Reporting' on page 39.

Where a distribution made to you is less than¹, or more than, the trust components attributed to you, the cost base of your units will need to be increased or decreased, as appropriate. Details of the trust components attributed to you and any net cost base adjustment will be included on your annual tax statement.

Where a Fund's determined trust components for an income year are revised in a subsequent year (eg due to actual amounts differing to the estimates of income, gains/losses or expenses), then differences (referred to as 'unders and overs') will arise. Unders and overs will generally be taken into account in the year they are discovered.

- 1 If this were to occur, the Fund's unit price would only fall by the amount of the actual distribution and not by the additional amount attributed to investors. You would need to increase the cost base of your units for tax purposes by the amount that has been attributed but not paid as a distribution.

CAPITAL GAINS TAX

In addition to any realised net capital gains attributed to you, any withdrawal of units in the Funds may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

ANNUAL TAX STATEMENT

As you are investing indirectly through a Service, your Service operator will use the information we provide to prepare their statements for you.

NON-RESIDENT INVESTORS

Australian tax will be deducted from certain Australian sourced income and capital gains distributed/attributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

TAX FILE NUMBER (TFN)/ AUSTRALIAN BUSINESS NUMBER (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information your Service operator will have to withhold tax from the income distributed/attributed to you at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption is provided.

You may prefer to provide an ABN as an alternative to your TFN if your investment is made as part of an enterprise.

Please refer to your Service operator for more information on the collection of TFNs and ABNs for investors investing in the Funds through their Service.

GOODS AND SERVICES TAX (GST)

GST generally applies to the fees, costs and expenses payable by the Funds, including management costs and other fees payable to us.

Generally, the Funds can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to management costs and certain other expenses, as set out in the GST law.

Unless otherwise stated, the fees and costs in the 'Fees and costs summary' table on pages 26-27 show the approximate net cost to the Funds of these amounts payable to us, on the basis that the Funds are entitled to claim RITCs for the GST on relevant amounts.

ADDITIONAL INFORMATION

YOUR COOLING-OFF RIGHTS

No cooling-off rights apply in respect of any investment in the Funds acquired by your Service operator on your behalf. For information about any cooling-off rights that may apply to you in respect of the Service that you invest through, please contact your Service operator directly or refer to their disclosure document.

HOW UNITS ARE PRICED AND INVESTMENTS ARE VALUED

Unit prices for each Fund are calculated by:

- establishing the net asset value of the Fund
- for entry unit prices – adding the applicable transaction costs (buy spread) to the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the entry unit price
- for exit unit prices – deducting the applicable transaction costs (sell spread) from the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the exit unit price.

We generally determine the net asset value of each Fund on each business day. The net asset value is calculated by deducting the value of a Fund's liabilities from the value of its gross assets.

The net asset value of each Fund includes unrealised gains and losses and any income and realised gains accrued but not yet distributed. If unrealised gains are realised in the future, any assessable portion may be distributed to investors.

Investments are valued at their market value. In all cases, we determine the valuation method according to the relevant Fund's constitution. For those Funds investing in other managed funds, it will normally be based on the exit price of units in the underlying fund(s). We generally calculate and apply entry and exit unit prices each business day.

We can defer the calculation of unit prices where permitted by the relevant Fund's constitution and the law. For example, if significant delays occur where an underlying fund does not calculate or provide a price, unit prices may not be calculated nor applications and withdrawals processed for that Fund until the underlying fund's unit price is determined.

A copy of our unit pricing policy, including details of any discretions that we may exercise in various circumstances, is available at our website or can be obtained free of charge by contacting us.

REPORTING

All reports will be sent directly to your Service operator. They will use this information to provide you with regular reporting and information to help you complete your annual income tax return. Please contact your Service operator with any investor inquiries.

Fund profiles (updated monthly) are also available at our website or can be obtained free of charge by contacting us.

CONTINUOUS DISCLOSURE DOCUMENTS

The Funds may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Funds may be obtained from, or inspected at, any ASIC office. You may obtain a copy of the following at our website or from us free of charge on request:

- a Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by a Fund after lodgement of that annual report
- any continuous disclosure notices given by a Fund after that date of lodgement of that annual report
- any other material updates.

YOUR PRIVACY

As you are investing indirectly through a Service, we do not collect or hold your personal information in connection with your investment in the Funds. Please contact your Service operator for more information about their privacy policy.

INQUIRIES AND COMPLAINTS

As you are investing indirectly through a Service, any inquiries or complaints about the Service should be directed to your Service operator. Any inquiries or complaints relating to your investment in the Funds should also be directed to your Service operator in the first instance.

COMPLAINTS

If you have a complaint about your investment in the Fund(s), which your Service operator is unable to resolve on your behalf, you should take one of the following steps:

1. Contact one of our Client Services representatives on 1800 022 033 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 Wholesale Funds
GPO Box 4171
Sydney NSW 2001

We will endeavour to resolve your complaint fairly and as quickly as we can and within the maximum response timeframe. The maximum response timeframe is 45 days for standard complaints (or 30 days for standard complaints we receive on or after 5 October 2021). Other type of complaints and complex complaints may have a different maximum response timeframe. We will let you know if a different maximum response timeframe will apply to your complaint.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard, 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, once you receive our final response to your complaint, you are not satisfied with the resolution we have proposed, or if you have not received a response within the maximum response timeframe that applies to your complaint, 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 that are members of AFCA. 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

INVESTMENTS AND SOCIAL SECURITY

If you are a personal investor, your investment in the Funds may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the Financial Information Service provided by Services Australia.

OUR ROLE AS RESPONSIBLE ENTITY

As the responsible entity of the Funds, our main responsibilities are to manage a Fund according to its constitution and investment policy as well as properly administering it. We have established an investment review committee to set the investment objectives, investment guidelines and investment approach for the Funds. We may change a Fund's investment policy whenever we believe that's in the best interests of investors, without prior notice.

In carrying out our duties, we are subject to the Corporations Act and must:

- act honestly and in the best interests of investors
- exercise care and diligence.

CONSTITUTIONS

All registered managed investment schemes are governed by a constitution. A Fund's constitution (as amended) governs the Fund's operation and, together with this PDS, the Corporations Act and other laws, regulates the Fund and our legal relationship with investors. The Funds' constitutions have been lodged with ASIC.

We can amend the Funds' constitutions as permitted by the Corporations Act. You may inspect the Funds' constitutions at our offices on any business day free of charge or obtain a free copy by contacting us.

BORROWING POWERS

All of the Funds' constitutions allow the Funds to borrow (limits apply in some cases). Most of the Funds currently don't intend to borrow as part of their investment strategy (see the 'Fund profiles' on pages 8-19 for details of the investment strategy for each Fund). However, borrowing may occur in the management of the Funds. To the extent permitted, the Funds may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial and arm's length basis).

OUR LIABILITY

Subject to the Corporations Act, we're not liable to investors for any losses in any way relating to the Funds, except to the extent to which the loss is caused by our fraud, negligence or breach of trust.

Our liability is, subject to the Corporations Act, limited to our ability to be indemnified out of the assets of the Funds.

SUSPENSION OF APPLICATIONS AND WITHDRAWALS

In certain emergency situations that impact the effective and efficient operation of a market for an asset in a Fund or in circumstances where we otherwise consider it to be in investors' interests, we may suspend processing all applications or withdrawals for that Fund in accordance with the Fund's constitution. This may include situations where:

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

For Perpetual Wholesale Geared Australian Share Fund we may also suspend withdrawals if its gearing level exceeds 75%. If a suspension occurs, the gearing level will be reduced to 60% or lower within a reasonable period of time.

Applications or withdrawal requests received during the suspension will be processed using the entry or exit price applicable when the suspension is lifted.

WITHDRAWAL OF LARGE INVESTMENTS

We can in certain circumstances delay or stagger the payment of large withdrawal requests. For example, if a withdrawal request represents more than 5% of the number of units on issue in a Fund, we have the right to stagger the withdrawal into five separate withdrawal requests over five successive business days.

NON-LIQUID FUNDS

If a Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from a Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from a Fund while the Fund is non-liquid.

We will advise your Service operator if a Fund becomes non-liquid and the terms of any withdrawal offer.

INCORPORATION BY REFERENCE

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

The following incorporated information forms part of this PDS:

- details of current external specialist investment managers (if any)
- details of the latest annual transaction costs and the current buy/sell spread for each Fund
- any additional information required by ASIC to be given in relation to Perpetual Wholesale SHARE-PLUS Long-Short Fund and Perpetual Diversified Real Return Fund.

This information is publicly available at www.perpetual.com.au/wholesalefundsupdates or can be obtained free of charge by contacting us.

You should also read the incorporated information.

OTHER DOCUMENTS

The latest 'Full holdings disclosure' documents for Perpetual Ethical SRI Credit Fund and Perpetual Wholesale Ethical SRI Fund are also publicly available from www.perpetual.com.au/wholesalefundsupdates, or can be obtained free of charge by contacting us:

APPLYING FOR AN INVESTMENT

As you are investing indirectly through a Service, you should complete any application and other relevant forms provided by your Service operator.

CONTACT DETAILS

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

WEBSITE

www.perpetual.com.au

EMAIL

investments@perpetual.com.au

PHONE

During business hours (Sydney time)
1800 022 033 – for investors
1800 062 725 – for advisers

POSTAL ADDRESS

Perpetual Wholesale Funds
GPO Box 4171
Sydney NSW 2001
Australia

PERPETUAL GROUP STATE OFFICES

Australian Capital Territory

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Canberra ACT 2601

New South Wales

Angel Place
Level 18, 123 Pitt Street
Sydney NSW 2000

Queensland

Central Plaza 1
Level 15, 345 Queen Street
Brisbane QLD 4000

South Australia

Level 11, 101 Grenfell Street
Adelaide SA 5000

Victoria

Rialto South Tower
Level 29, 525 Collins Street
Melbourne VIC 3000

Western Australia

Exchange Tower
Level 29, 2 The Esplanade
Perth WA 6000

The logo for Perpetual, featuring the word "Perpetual" in a blue serif font, followed by a large, stylized blue script letter "P".