

PERPETUAL SELECT SUPER PLAN AND PENSION PLAN - INVESTMENT UPDATES

1 November 2017

Following a strategic asset allocation review, some of the Investment options will have the following updates effective from 1 November 2017.

- Revised Investment guidelines
- Updated Investment return objective
- Benchmark changes

The table below summarises the Investment options updates. The updates apply to both the Select Super Plan and Select Pension Plan, unless indicated otherwise. Unless specified below, there are no changes to the Investment options.

SELECT SUPER AND PENSION UPDATES

MULTI - ASSET CLASS

CONSERVATIVE INVESTMENT OPTION

BALANCED INVESTMENT OPTION

GROWTH INVESTMENT OPTION

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE
Fixed income benchmark change	50% Bloomberg AusBond Composite 0+Yr Index and 50% Bloomberg Barclays Global Aggregate Index (hedged to AUD)	50% Bloomberg AusBond Composite 0+Yr Index and 50% Barclays Capital Global Aggregate Index (hedged to AUD)
Real estate benchmark change	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Developed Index - Net Return (unhedged to AUD)	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Global Real Estate Index
International shares benchmark change	MSCI All Country World Index - Net Return (unhedged in AUD)	MSCI All Country World Index

DIVERSIFIED INVESTMENT OPTION

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE
Investment return objective for Super only	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio of assets outperform the CPI by 2.0% (before fees and after tax) over rolling 4-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark reflecting the underlying funds' target allocations at any time to the various asset types. 	<ul style="list-style-type: none"> outperform the CPI by 2.0% (before fees and after tax) over rolling 3-year periods
Investment return objective for Pension only	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio of assets outperform the CPI by 3.0% (before fees and after tax) over rolling 4-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark reflecting the underlying funds' target allocations at any time to the various asset types. 	<ul style="list-style-type: none"> outperform the CPI by 3.0% (before fees and after tax) over rolling 3-year periods
Fixed Income benchmark change	50% Bloomberg AusBond Composite 0+Yr Index and 50% Bloomberg Barclays Global Aggregate Index (hedged to AUD)	50% Bloomberg AusBond Composite 0+Yr Index and 50% Barclays Capital Global Aggregate Index (hedged to AUD)
Real estate benchmark change	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Developed Index – Net Return (unhedged to AUD)	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Global Real Estate Index
International shares benchmark change	MSCI All Country World Index – Net Return (unhedged in AUD)	MSCI All Country World Index

HIGH GROWTH INVESTMENT OPTION

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE
Investment return objective for Super only	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio with a strong emphasis on Australian and international shares, as well as growth alternative investments. outperform the CPI by 3.5% (before fees and after tax) over rolling 10-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark reflecting the underlying funds' target asset allocations at any time to the various asset types. 	<ul style="list-style-type: none"> outperform the CPI by 4.0% (before fees and after tax) over rolling 10-year periods
Investment return objective for Pension only	<p>Aims to:</p> <ul style="list-style-type: none"> provide members with long-term growth through investment in a diversified portfolio with a strong emphasis on Australian and international shares, as well as growth alternative investments. outperform the CPI by 4.5% (before fees and after tax) over rolling 10-year periods outperform (before fees and after tax), over rolling three-year periods, a composite benchmark reflecting the underlying funds' target asset allocations at any time to the various asset types. 	<ul style="list-style-type: none"> outperform the CPI by 5.0% (before fees and after tax) over rolling 10-year periods
Real estate benchmark change	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Developed Index – Net Return (unhedged to AUD)	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Global Real Estate Index
International shares benchmark change	MSCI All Country World Index – Net Return (unhedged in AUD)	MSCI All Country World Index

GEARED HIGH GROWTH INVESTMENT OPTION (SUPER ONLY)

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE																					
New Investment guidelines	<table border="1"> <thead> <tr> <th>RANGES</th> <th>NEW</th> <th>CHANGE FROM</th> </tr> </thead> <tbody> <tr> <td>Cash and enhanced cash</td> <td>0-15%</td> <td>0-12%</td> </tr> <tr> <td>Real Estate</td> <td>5-20%</td> <td>N/A</td> </tr> <tr> <td>Australian shares</td> <td>20-45%</td> <td>35-60%</td> </tr> <tr> <td>International shares</td> <td>20-45%</td> <td>25-45%</td> </tr> <tr> <td>Growth alternatives</td> <td>0-25%</td> <td>0-25%</td> </tr> <tr> <td>Gearing Level</td> <td>0-50%</td> <td>0-50%</td> </tr> </tbody> </table>	RANGES	NEW	CHANGE FROM	Cash and enhanced cash	0-15%	0-12%	Real Estate	5-20%	N/A	Australian shares	20-45%	35-60%	International shares	20-45%	25-45%	Growth alternatives	0-25%	0-25%	Gearing Level	0-50%	0-50%	
	RANGES	NEW	CHANGE FROM																				
	Cash and enhanced cash	0-15%	0-12%																				
	Real Estate	5-20%	N/A																				
	Australian shares	20-45%	35-60%																				
	International shares	20-45%	25-45%																				
	Growth alternatives	0-25%	0-25%																				
Gearing Level	0-50%	0-50%																					
Real estate benchmark change	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Developed Index – Net Return (unhedged to AUD)	50% S&P/ASX 300 A-REIT Accumulation Index and 50% FTSE EPRA/NAREIT Global Real Estate Index																					
International shares benchmark change	MSCI All Country World Index – Net Return (unhedged in AUD)	MSCI All Country World Index																					

SINGLE - ASSET CLASS

FIXED INCOME INVESTMENT OPTION

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE
Fixed income benchmark change	Australian fixed income – Bloomberg AusBond Composite 0+Yr Index	
	Diversified credit – Bloomberg AusBond Bank Bill Index	
	International fixed income – Bloomberg Barclays Global Aggregate Index (hedged to AUD)	International fixed income – Barclays Capital Global Aggregate Index (hedged to AUD)

REAL ESTATE INVESTMENT OPTION

UPDATES	FROM 1 NOVEMBER 2017	PRIOR TO CHANGE
Real estate benchmark change	Australian real estate – S&P/ASX 300 A-REIT Accumulation Index	
	International real estate – FTSE EPRA/NAREIT Developed Index – Net Return (unhedged to AUD)	International real estate – FTSE EPRA/NAREIT Global Real Estate Index

MORE INFORMATION

This product update should be read in conjunction with the Perpetual Select Super Plan and Pension Plan PDS issue number 8 dated 1 June 2017.

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