

# PERPETUAL SELECT SUPER PRODUCT MEMBER OUTCOMES ASSESSMENT

## INTRODUCTION

In this report, Equity Trustees Superannuation Limited publishes the results of our annual assessment of how well the Perpetual Select Super Product (the **product**) issued from Perpetual's Select Superannuation Fund (the **Fund**) provides member outcomes and promotes members' financial interests. The assessment is based on information as at 30 June 2025.

## METHODOLOGY AND STRUCTURE

In conducting this assessment, we compared the product to other choice superannuation products included in statistical data published by the Australian Prudential Regulation Authority (**comparable products**) using the criteria in Part 6 of the *Superannuation Industry (Supervision) Act 1993* and Prudential Standard SPS 515 *Strategic Planning and Member Outcomes*.

This report includes:

- our overall assessment of whether the product provides optimal member outcomes and promotes their financial interests;
- a dashboard that depicts our assessment of the product's market-relative performance for each outcome we aim to provide members;
- a table summarising the key metrics that we relied on when making this assessment; and
- our commentary on this performance that includes action items to improve suboptimal performance.

For each member outcome, the dashboard presents the relevant segment of market performance. The width of each segment is based on the range of market performance for each outcome and is specific to each outcome. The positioning of the black performance indicator bar against the colour coding is our assessment of how well the outcome has been delivered. The colour coding gives a visual representation of performance that moves from neutral (yellow) through orange to least tolerance (red), and in the opposite direction from yellow to the target (or green) area of the dashboard. The assessment of each member outcome is based on several equally-weighted metrics. Accordingly, if one metric is outside our tolerance level it doesn't automatically mean the entire member outcome is outside our tolerance level.

*Example dashboard for illustrative purposes only*



The target is generally the average position of the comparable products while the tolerance level is the trigger for us to consider any necessary actions to improve member outcomes.

Please visit our [website](#) to view a short video that provides more information about the operation of the dashboard.



## OVERALL ASSESSMENT

Having carefully considered the comparisons of the product with comparable products set out in this report, including the dashboards, metrics, commentary, and other relevant information available to us at the time of writing, we have concluded that as a result of the following factors the product is promoting members' financial interests:

1. the net returns for the product (i.e. returns after deducting all fees, costs and taxes) are not consistent with peers;
2. the investment strategy for the product is appropriate;
3. the level of investment risk for the product is acceptable in relation to the net returns generated;
4. the fees and costs that affect the return to members are appropriate having regard to their financial interests;
5. the insurance premium charged for the product does not inappropriately erode members' account balances;
6. the insurance strategy for the product is appropriate;
7. the options, benefits and facilities offered in the product are appropriate for members;
8. the scale of the product and the Fund does disadvantage members; and
9. the liquidity management of the product, supported by both stressed-scenario investment liquidity and the insurer's financial strength, is appropriate to ensure members' financial interests are protected.

## DASHBOARD

### STRATEGIC CONTEXT

Working together with the Fund's promoter, Perpetual, our purpose is to provide members with a simple superannuation solution with a range of multi manager, multi and single asset class investment options along with the ability to hold group insurance cover. This allows members to select suitable investment options and insurance cover to suit their individual circumstances and retirement goals.

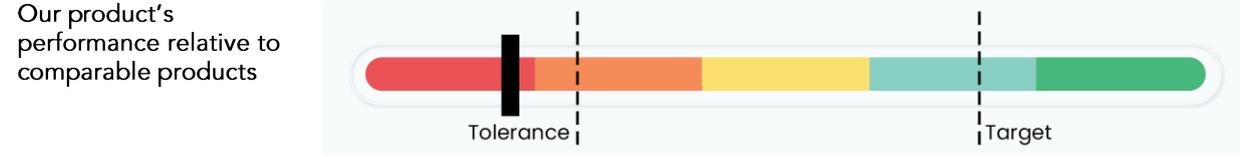
To support this purpose, our goals for the Fund are the provision of quality services to members to ensure positive member experiences, the implementation of enhanced retirement solutions, maintaining strong governance and compliance, and seeking continuous improvement of services and the member proposition.

The product is a choice accumulation product.



## INVESTMENT RETURN

**Outcomes** Investment return for a \$50,000 account balance in the product<sup>1.0</sup> is consistent with market indexes.



Metrics	Ref	Metric Label	Value	Tolerance	Target
	1.1	1-year actual net return	8.28%	11.14%	11.72%
	1.2	3-year actual net return	9.35%	10.63%	11.24%
	1.3	5-year actual net return	8.02%	9.02%	9.55%
	1.4	10-year actual net return	6.70%	7.30%	7.85%
	1.5	Investments passing the Performance Test	100.00%	63.00%	100.00%

1.0 Investment returns and associated targets and tolerance levels are weighted averages for the product. The weighted averages are based on the performance, asset allocation and Funds under management of the investment options available in the product. The table in Appendix 1 provides more information. Net returns are based on historic returns and the current fee structure, which does not vary by account balance.

### Commentary

The performance indicator measures the weighted average investment return of all investment options in the product over the 1-year, 3-year and 5-year periods and is based on an equal weighting of all the metrics in the above table.

Appendix 1 displays the investment returns for each investment option available in the product and the weighted average investment returns for the product over these periods.

This commentary focuses on the 5-year weighted average return to 30 June 2025. The 5-year period represents a balance between short-term and long-term performance. When reading this commentary, it is important to bear in mind that past performance is not a reliable indicator of future performance.

Over the 5 years to 30 June 2025, the product's weighted average investment return was outside our tolerance level.

The primary drivers of this outcome were underperformance by selected investment managers and returns that lagged peer Funds over the period. The Growth option representing the largest proportion of member balances (\$268 million of the total \$625 million) underperformed the Australian Prudential Regulation Authority Comprehensive Product Performance Package benchmark over the 5-year period by 2.1 percent. However, it exceeded its long-term objective of Consumer Price Index plus 3 percent over the same timeframe, demonstrating alignment with its real return target despite relative underperformance against peers.

While we cannot remove underperformance in the past, we will seek improved member outcomes through enhancements to the investment strategy.

The investment strategy for the Fund is reviewed annually, which includes consideration of the risk-return profile of the investment options, and we are comfortable it remains appropriate for members.



## INVESTMENT RISK

Outcomes	Investment risk for a \$50,000 account balance in the product is consistent with the Standard Risk Measure (SRM) <sup>2.0</sup> .				
Our product's performance relative to comparable products					
Metrics	Ref	Metric Label	Value	Tolerance	Target
	2.1	Negative annual net returns over last 10 years	0.22	3.00	2.00
<p>2.0 Negative annual returns and associated targets and tolerance levels are weighted averages for the product. The weighted averages are based on the performance, SRM and Funds under management of the investment options available in the product. Portions of years have been rounded up or down to a whole year for tolerance and target level.</p>					

### Commentary

The performance indicator measures the weighted average number of negative annual returns since the product's inception.

When reading this commentary, it's important to bear in mind that past performance is not a reliable indicator of future performance.

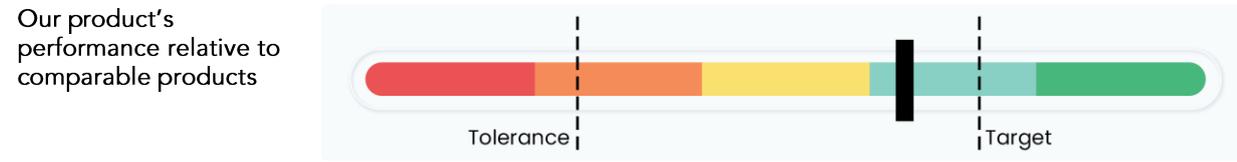
Since inception the weighted average number of negative returns for the product was within our target level.

The investment strategy for the Fund is reviewed annually, which includes the risk return profile of the investment options and we are comfortable it is appropriate for members.



## FEES AND COSTS

**Outcomes** Fees (gross of tax) for a \$50,000 account balance are consistent with market rates.<sup>4.0</sup>



Metrics	Ref	Metric Label	Value	Tolerance	Target
	4.1	Total fees	1.09%	1.43%	1.00%

4.0 The product's fee structure is flat and does not vary across different account balances. The table in the Appendix 2 provides more information.

4.1 These fees include a weighted average investment fee that is based on the investment fees and Funds under management of the investment options available in the product.

### Commentary

This table lists the product's total fees and costs (administration and investment fees and costs). Other fees may be payable which are set out in the product's disclosure documents.

The performance indicator measures total fees and costs together against comparable products.

Total fees were within our tolerance level.

As a result, we are comfortable that fees and costs are consistent with market rates and are appropriate having regard to members financial interests.



## INSURANCE CLAIM MANAGEMENT

**Outcomes** Valid claims are accepted and paid in a timely manner.

Our product's performance relative to comparable products

Metrics	Ref	Metric Label	Value	Tolerance	Target
	6.1	Insurer's declined claims ratio - life cover	0.00%	4.00%	3.00%
	6.2	Insurer's average time to decision - life cover	1.02	2.00	1.50
	6.3	Insurer's declined claims ratio - TPD cover	25.00%	20.00%	16.00%
	6.4	Insurer's average time to decision - TPD cover	3.12	8.00	7.00
	6.7	Insurance-related EDR complaints	2.59	1.40	0.70

6.2 and 6.4 The time to decision is measured in months.  
 6.3 – 6.4 TPD means "Total and Permanent Disablement".  
 6.7 EDR means "External Dispute Resolution". This is the annual number of insurance-related complaints to the Australian Financial Complaints Authority per 10,000 member accounts.

### Commentary

The performance indicator measures the acceptance of insurance claims, the timeliness of claim decision-making and the quality of the claims process against comparable products.

The performance indicator, which is within our tolerance level, is based on an equal weighting of all the metrics in the above table.

The insured benefits in this product are supported by group insurance policies. For this suite of policies, in the year ended 30 June 2025 the Fund's insurers:

- paid 2 life insurance claims and declined 0 life insurance claims; and
- paid 3 TPD insurance claims and declined 1 TPD insurance claims.

While the declined claims ratio for TPD cover is outside our tolerance level, this results from a very small number of claims, with only one TPD declination recorded for the year.

The average time to decision is within our target level.

Insurance-related EDR complaints were also outside our tolerance level; however, the volume remains low, with only one complaint recorded during the year.

Considering all these matters, we are satisfied that valid claims are being assessed and paid in line with policy terms and conditions.

### Group Insurance

We acknowledge that determining an "appropriate" level of insurance cover within a group insurance arrangement must balance affordability with broad relevance to the Fund's membership. As trustees, we do not have visibility of each



member’s personal circumstances, such as financial dependants or specific lifestyle needs and therefore cannot tailor cover to individual standards of living.

Instead, the default level of cover has been set with reference to the Fund’s overall demographic profile and risk characteristics, with a view to providing meaningful protection while ensuring premiums remain sustainable and do not inappropriately erode member balances.

Members can:

- apply for additional cover (subject to underwriting) or
- access life events cover without underwriting, or
- cancel or reduce cover at any time.

## MEMBER SERVICES

<b>Outcomes</b>	Administration services satisfy member expectations.				
<b>Our product’s performance relative to comparable products</b>					
<b>Metrics</b>	<b>Ref</b>	<b>Metric Label</b>	<b>Value</b>	<b>Tolerance</b>	<b>Target</b>
	8.1	Administration-related EDR complaints	5.19	3.50	1.50
	8.2	Service Level Achievement	99.00%	80.00%	95.00%
	8.3	Administration fees	0.10%	0.62%	0.40%
	8.4	Information security controls	Effective	Partially Effective	Effective
	8.5	Retirement education services	Effective	Partially Effective	Effective
	<p>8.1 EDR means “External Dispute Resolution”. This is the annual number of administration-related complaints to the Australian Financial Complaints Authority per 10,000 member accounts.</p> <p>8.2 Service level achievement measures the portion of new member, contribution and benefit payment transactions that were processed within our service level.</p> <p>8.4 This is our view of the effectiveness of the Administrator’s information and cyber security controls based on an independent review completed during the year.</p> <p>8.5 The metric rates how effective the retirement guidance and tools are in helping members plan for retirement.</p>				

### Commentary

The performance indicator measures the delivery of administration services against our service levels and the cost of comparable services in similar products.

The performance indicator, which is within our tolerance level, is based on an equal weighting of the above metrics.

The number of administration related complaints escalated to the Australian Financial Complaints Authority was outside our tolerance level, however, the volume remains low, with only two complaints recorded during the year. All complaints are reviewed to ensure that any valid issues are appropriately addressed and that members receive the correct remediation or compensation where required.

Service level achievement and information security controls were within our target level.

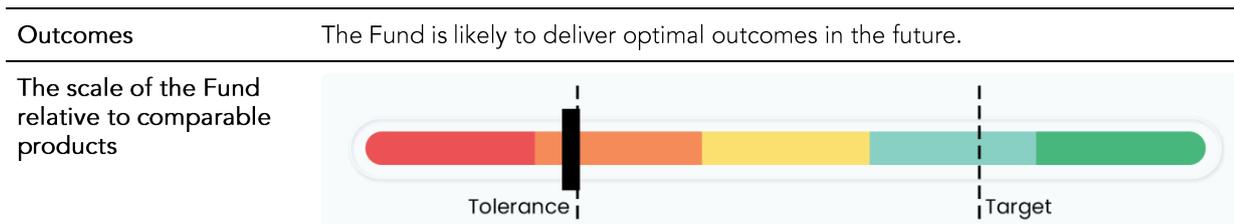


Retirement education services were assessed as effective. The Fund has a strong focus on helping members understand and prepare for retirement, supported by a range of educational materials and guidance. Members have access to resources such as articles, tools and retirement planning information to assist them at different stages of their working life. Together, these services help members make informed decisions that align with their personal retirement goals. Members are also encouraged to seek personal advice for a tailored retirement strategy.

As a result of these assessments, we are comfortable that administration services generally satisfy member expectations.

Therefore, we consider the options, benefits and facilities offered in the product to be appropriate for members.

## SCALE



Metrics	Ref	Metric Label	Value	Tolerance	Target
	9.1	RSE adjusted total accounts growth rate	-7.52%	-5.00%	3.00%
	9.2	RSE Net Cash Flow Ratio	-9.11%	-6.00%	4.00%
	9.3	RSE Net Rollover Ratio	-5.07%	-9.00%	-1.00%

9.1 The RSE adjusted total accounts growth rate is the average annual percentage change in member accounts averaged over the three year period, excluding Successor Fund Transfers (SFTs) and account consolidations.

9.2 The RSE Net Cash Flow Ratio is members' benefits flows in less members' benefits flows out as a percentage of cash flow adjusted net assets averaged over the three year period, excluding SFTs.

9.3 The RSE Net Rollover Ratio is rollovers in less rollovers out as a percentage of cash flow adjusted net assets averaged over the three year period, excluding SFTs.

## Commentary

The performance indicator measures the Fund's growth and ability to deliver scale benefits to members against other Funds.

The performance indicator, which is outside our tolerance level, is based on an equal weighting of the above metrics.

The Fund is open to new members but continues to be in run off, with membership decreasing by 7.35% in the year ended 30 June 2025. Membership is expected to continue declining at a similar rate over the next three years.

With total member benefits of \$1.1 billion and approximately 3,857 members, we do not believe that the Fund's scale is currently having a detrimental impact on members. However, we will continue to monitor the impact that the expected reduction in Fund size may have on member outcomes and take appropriate action if required.

In addition to the Fund's own scale metrics, we note that Perpetual Limited is the underlying investment manager, with extensive investment options across its broader business. While the broader scale does not form part of the Fund's scale assessment metrics, it may provide some efficiencies or negotiation capacity with certain material service providers. We will continue to monitor whether these broader group level efficiencies translate into measurable benefits for the members.



## LIQUIDITY

<b>Outcomes</b>	Benefit and rollover requests can be met in a timely manner from investments and insurance policies.				
<b>Our product's performance relative to comparable products</b>	<p>The gauge shows a performance level of 86.01%, which is above the 80.00% tolerance and below the 100.00% target. The gauge is divided into segments of red, orange, yellow, green, and dark green.</p>				
<b>Metrics</b>	<b>Ref</b>	<b>Metric Label</b>	<b>Value</b>	<b>Tolerance</b>	<b>Target</b>
	10.1	Investment liquidity in a GFC scenario	86.01%	80.00%	100.00%
	10.2	Insurer financial strength rating	AA	BBB	AA
<p>10.1 Liquidity is a weighted average that is based on the liquidity in a Global Financial Crisis scenario and Funds under management of the investment options available in the product. The table in Appendix 1 provides more information.</p>					

### Commentary

The performance indicator measures the Fund's ability to meet benefit and rollover requests in a timely manner.

We regularly monitor whether the investments and any insurance policies would be able to meet cash requirements in extreme situations. Based on our analysis, we consider that benefits are supported by liquid investments and the insurer has appropriate financial strength.

As a result, we are comfortable that the level of liquidity risk for the product is acceptable.



## APPENDIX 1

### INVESTMENT OPTION INFORMATION

Investment Option	Inception Date	Growth Ratio	Member Assets	Investment Period			
				1 Year	3 Years	5 Years	10 Years
Australian Share super option	1994-12-31	100%	\$45.6M	5.0%	9.48%	9.47%	7.31%
Balanced super option	1992-07-03	77%	\$144.0M	8.12%	8.73%		
Cash super option	1992-07-03	0%	\$21.1M	3.76%	3.3%	1.98%	1.55%
Conservative super option	1992-07-03	57%	\$28.1M	6.62%	6.17%		
Diversified super option	2011-06-01	68%	\$13.3M	7.43%	7.39%		
Growth super option	1992-07-03	86%	\$268.7M	8.79%	9.78%		
High Growth super option	2004-04-14	94%	\$81.6M	9.31%	10.65%		
International Share super option	1994-12-31	100%	\$23.1M	12.84%	13.93%	10.7%	10.19%
Weighted Average		82%	\$625.5M	8.28%	9.35%	8.02%	6.7%

This table provides information about the asset allocation, size and performance of the investment options available in the product.

## APPENDIX 2

### ACCOUNT BALANCE-BASED INVESTMENT METRICS

Time Frame	Account Balance Value					
	\$10,000	\$25,000	\$50,000	\$100,000	\$250,000	\$500,000
1	8.3%	8.3%	8.3%	8.3%	8.3%	8.3%
3	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
5	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
10	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%

This table illustrates that net investment returns are consistent across different account balances, reflecting the product's flat fee structure.

Equity Trustees Superannuation Limited (ABN 50 055 641 757, AFSL 229757, RSE L0001458) (referred to in this Schedule as "Equity Trustees") is part of the EQT Holdings Limited (ABN 22 607 797 615) group of companies, listed on the Australian Securities Exchange (ASX: EQT). This information is intended as a source of information only. No reader should act on any matter without first obtaining professional advice which considers an individual's specific objectives, financial situation and needs.

Copyright © 2026 Equity Trustees. All rights reserved.