

Balancing risk and return: How not-for-profits are structuring their portfolios in 2025

By Perpetual Private

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Balancing risk and return

Over the last four years we have investigated how not-for-profit organizations are structuring their portfolios to help them meet their investment goals, objectives and asset classes. We have seen how priorities have changed.

Asset allocation and investment objectives

1. **More conservative risk profile**
2. **More consistent risk profile**
3. **More consistent risk profile**
4. **More consistent risk profile**
5. **More consistent risk profile**
6. **More consistent risk profile**
7. **More consistent risk profile**
8. **More consistent risk profile**
9. **More consistent risk profile**
10. **More consistent risk profile**

Over the previous four years, our recommendations have evolved from a focus on risk and return to a focus on risk and return.

Asset allocation trends

in our not-for-profit portfolios – revisited

Investment objectives

Investors' investment objectives

Investment objective	Percentage of investors
Income	71
Income & Capital Preservation	17
Capital Preservation	12

Whether your organisation is already invested or considering options beyond cash and term deposits, understanding how other not-for-profits approach portfolio construction can provide food for thought for your own investment strategy discussions.

Over the past four years we have investigated how different not-for-profit organisations in our client base think about risk and return and how that has played through into portfolio construction.

[Download paper](#)

This paper covers:

- Analysis of 221 not-for-profit portfolios with \$3 billion under management
- How objectives shape asset allocation decisions
- Shifts in growth and defensive asset weightings
- Trends in home bias and international diversification
- The increasing role of alternatives
- Four key questions for boards and committees to consider as part of investment strategy discussions

Find out more about our [services for non-profit organisations](#).

Asset allocation trends in not-for-profit portfolios

with key questions for boards and investment committees

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Speak to an expert

Whether you're seeking to refine your investment strategy, address new challenges, or simply have questions, we're here to provide the expertise and guidance you need.

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