

---

# Notice of Annual General Meeting 2021

On 21 October 2021 at 10am

Shareholders may participate online at  
<https://agmlive.link/PPT21>

Trust is earned.

Perpetual 

Dear Shareholders

It is my pleasure to invite you to the 2021 annual general meeting (**AGM**) of Perpetual Limited (**Perpetual** or **Company**), which will be held at 10am (Sydney time) on Thursday, 21 October 2021. Shareholders can participate online at <https://agmlive.link/PPT21>.

### Online meeting

In light of the current COVID-19 situation, shareholders are not currently able to physically attend the AGM for health and safety reasons. Please refer to the enclosed Notice of Meeting and the Online Guide at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders) for further details on how to view and participate in the meeting online.

### Appointing a proxy and submitting questions in advance of the AGM

You may appoint a proxy to vote on your behalf, either by accessing our share registry's website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) and following the prompts, or by following the instructions in the proxy form. Proxy appointments must be received by 10am (Sydney time) on Tuesday, 19 October 2021.

Even if you plan to participate in the AGM online, we encourage you to submit a directed proxy vote so that your vote will be counted if for any reason you cannot vote on the day.

### We encourage Questions

We also invite you to submit questions to the Company or auditor in advance of the meeting online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by using the shareholder question form that has been lodged on the ASX and posted on Perpetual's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders). Questions submitted this way must be received by no later than 5pm (Sydney time) on Thursday, 14 October 2021.

During the AGM, shareholders will also be able to submit questions in writing or ask questions orally in real time. Further information on how to submit your questions is set out on the following pages.

### Items for deliberation at the AGM

The items for deliberation at this year's AGM are:

- the consideration of our financial and statutory reports for the financial year ended 30 June 2021;
- the adoption of Perpetual's Remuneration Report for the financial year ended 30 June 2021;
- the re-appointment of Mr Craig Ueland as a Non-executive Director;
- the re-appointment of Mr Ian Hammond as a Non-executive Director;
- the re-appointment of Ms Nancy Fox AM as a Non-executive Director;
- the confirmation of the appointment of Ms Mona Aboelnaga Kanaan as a Non-executive Director;
- the approval of the 2021 variable incentive equity grants for the CEO and Managing Director; and
- the renewal of the proportional takeover provisions in the Company's Constitution for a further period of three years.

The Board recommends that Shareholders vote in favour of all voting resolutions.

### Further information and updates

Enclosed is a copy of the Notice of Meeting which includes information for shareholders and explanatory notes. This may also be accessed on our website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders) together with Perpetual's 2021 financial results.

If the Company needs to give further updates about the AGM, information will be lodged with the ASX and posted on the Company's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

I look forward to welcoming you to the 2021 AGM.



**Tony D'Aloisio AM**  
Chairman

16 September 2021



# Notice of Annual General Meeting

Perpetual's AGM will be held on Thursday, 21 October 2021, commencing at 10am (Sydney time). Shareholders and proxyholders can participate in the meeting at <https://agmlive.link/PPT21>.

Online registration will open at 9.30am (Sydney time). To register, you will need to log in through a compatible web browser using a computer, tablet or mobile device with an internet connection.

Shareholders will then be prompted to enter their shareholder number and postcode. Proxyholders will need their proxy number which will be provided by Link Market Services following lodgement of the proxy appointment and no later than 24 hours prior to the meeting. Further information can also be found in the instructions on the online platform and in the Online Guide, which has been lodged with the ASX and posted on Perpetual's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

The enclosed 'Information for Shareholders' and 'Explanatory Memorandum' contains further information about the matters to be considered at the AGM and how to participate online. This information forms part of this Notice of Annual General Meeting.

The meeting will be broadcast from Level 18, Angel Place, 123 Pitt Street, Sydney, NSW 2000. Shareholders are not currently able to physically attend the AGM for health and safety reasons, but will instead be able to view and participate in the meeting online.

## FINANCIAL AND STATUTORY REPORTS

To receive and consider the financial statements, the reports of the Directors and of the auditor for the financial year ended 30 June 2021. No resolution or vote is required on this item of business.

### RESOLUTION 1 Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'To adopt the Remuneration Report for the financial year ended 30 June 2021.'

In accordance with section 250R of the Corporations Act 2001 (Cth) (**Corporations Act**), the vote on resolution 1 will be advisory only.

### Voting exclusion for resolution 1:

The Company will disregard any votes cast on resolution 1:

- by or on behalf of a member of the Company's key management personnel (**KMP**) named in the Company's 2021 Remuneration Report or their closely related parties, regardless of the capacity in which the vote is cast; or
- as proxy by a person who is a member of the KMP on the date of the AGM or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on resolution 1:

- in accordance with a direction on the proxy form; or
- in the absence of a direction on the proxy form, by the Chairman of the AGM, in accordance with an express authorisation to exercise undirected proxies.

### RESOLUTION 2: Re-appointment of Mr Craig Ueland

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That Mr Craig Ueland, retiring as a Director of the Company in accordance with clause 20.9.1 of the Company's Constitution and who has consented to stand for re-appointment, be re-appointed as a Director of the Company in accordance with clause 20.9.3 of the Company's Constitution.'

### RESOLUTION 3: Re-appointment of Mr Ian Hammond

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That Mr Ian Hammond, retiring as a Director of the Company in accordance with clause 20.9.1 of the Company's Constitution and who has consented to stand for re-appointment, be re-appointed as a Director of the Company in accordance with clause 20.9.3 of the Company's Constitution.'

### RESOLUTION 4: Re-appointment of Ms Nancy Fox AM

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That Ms Nancy Fox AM, retiring as a Director of the Company in accordance with clause 20.9.1 of the Company's Constitution and who has consented to stand for re-appointment, be re-appointed as a Director of the Company in accordance with clause 20.9.3 of the Company's Constitution.'

## Notice of Annual General Meeting

### **RESOLUTION 5:**

#### **Re-appointment of Ms Mona Aboelnaga Kanaan**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That Ms Mona Aboelnaga Kanaan, having been appointed as a Director of the Company in accordance with clause 20.9.2 of the Company's Constitution and who has consented to stand for appointment, be re-appointed as a Director of the Company in accordance with clauses 20.9.3 and 20.2.2 of the Company's Constitution.'

### **RESOLUTIONS 6(a) AND 6(b):**

#### **Approval of the 2021 variable incentive equity grants for the Managing Director and CEO**

To consider and, if thought fit, to pass each of the following resolutions as separate ordinary resolutions:

##### **a) Grant of Share Rights to the Managing Director and CEO**

'That approval is given for all purposes, including ASX Listing Rule 10.14, for the issue of 21,560 share rights to Mr Rob Adams as part of his variable incentive equity grant for the performance period ending 30 June 2021 on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting.'

##### **b) Grant of Performance Rights to the Managing Director and CEO**

'That approval is given for all purposes, including ASX Listing Rule 10.14, for the issue of 21,560 performance rights to Mr Rob Adams as his part of his variable incentive equity grant for the performance period ending 30 June 2021 on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting.'

#### **Voting exclusion for resolutions 6(a) and 6(b):**

The Company will disregard any votes on resolutions 6(a) and 6(b):

- cast in favour of the resolution by or on behalf of Mr Rob Adams (being the only Director of the Company eligible for participation in the employee incentive scheme in respect of which Shareholder approval is sought) and his associates (as defined in the ASX Listing Rules), regardless of the capacity in which the vote is cast; or
- cast as proxy by a person who is a member of the KMP on the date of the AGM or their closely related parties,

unless the vote is cast on the relevant resolution:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or
- by the Chairman of the AGM as proxy for a person entitled to vote on the resolution, in accordance with an express authorisation to exercise undirected proxies as the Chairman decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTION 7:**

#### **Renewal of Proportional Takeover Provisions**

To consider and, if thought fit, to pass the following resolution as a special resolution:

'That the proportional takeover provisions contained in clause 11.9 and Schedule 2 of the Company's Constitution be renewed for a further period of three years, commencing from the date of this Annual General Meeting.'

By Order of the Board



#### **Sylvie Dimarco**

Company Secretary

16 September 2021

## Information for Shareholders

### WHO MAY VOTE

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001 the Company has determined that persons whose names are set out in the register of Shareholders of the Company as at 7pm (Sydney time) on Tuesday, 19 October 2021 are entitled to vote at the meeting convened by this notice.

### VOTING BY POLL

The Chairman will put resolutions to a poll at the AGM. Voting results on the resolutions that are put to the meeting (including the relevant proxy votes) will be announced to the ASX as soon as practicable after the AGM.

### APPOINTMENT OF PROXIES

A Shareholder who is entitled to vote at the meeting has a right to appoint up to two proxies. A proxy need not be a Shareholder.

Where a Shareholder appoints two proxies, the appointment may specify the proportion or number of votes which each proxy may exercise. Fractions of votes will be disregarded.

If the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, then each proxy may exercise half those votes.

A proxy may decide whether or not to vote on any proposed resolution, except where required by law or the Company's Constitution to vote. If the Shareholder appointing the proxy:

- directs the proxy how to vote on a proposed resolution, then the proxy may vote on that resolution only in the way directed; or
- does not direct the proxy how to vote on a proposed resolution, then the proxy may vote on that resolution as the proxy thinks fit, subject to any voting exclusions that apply to the proxy; or
- directs the proxy to abstain, the proxy must not vote on the Shareholder's behalf and any vote will not be counted.

If you appoint someone as a proxy (other than the Chairman of the AGM) and direct them how to vote, the Chairman of the AGM must cast those votes on your behalf on a poll in accordance with your directions if your proxy does not do so.

If you appoint the Chairman of the AGM as your proxy (or if he is appointed by default) and no direction is provided in relation to a resolution, you will be expressly authorising the Chairman to exercise your proxy as the Chairman sees fit in relation to that resolution. This includes resolution 1 (the Remuneration Report) and resolutions 6(a) and 6(b) (CEO Variable Incentive Equity Grants) even though the resolutions are connected directly or indirectly with the remuneration of the Company's KMP.

If you appoint a Director (other than the Chairman of the AGM) or another member of the Company's KMP or their closely related parties as your proxy, you must specify how they should vote on resolutions 1, 6(a) and 6(b) by completing the 'For', 'Against' or 'Abstain' boxes on the proxy form. If you do not, your proxy will not be able to exercise your vote for these resolutions.

### UNDIRECTED PROXIES

The Chairman of the AGM intends to vote all available proxies in favour of all resolutions.

### LODGEMENT OF PROXIES

To be valid, a proxy form must be completed and received by the Company by 10am (Sydney time) on Tuesday, 19 October 2021. The Proxy Form may be downloaded online at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

Proxies may be lodged as follows:

- to the Company's share registrar by:
  - hand delivery at Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000
  - by lodging the proxy appointment online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). To use the online proxy appointment facility, you will need your Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**), or you can access the facility using your postcode and the personalised link sent to you by email if you have registered for electronic communications from the Company
  - by post to Perpetual Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW, 1235
  - fax to +61 2 9287 0309
- or to the Company's registered office by:
  - hand delivery or post to Level 18, Angel Place, 123 Pitt Street, Sydney, NSW, 2000
  - fax to +61 2 8256 1427

## Information for Shareholders

### BODY CORPORATE REPRESENTATIVE

A Shareholder who is a body corporate and who is entitled to vote at the AGM, or a proxy who is a body corporate and who is appointed by a Shareholder who is entitled to vote at the AGM, may appoint a person to act as its representative at the meeting by providing that person with:

- a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as a representative; or
- a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative and setting out any restrictions on the representative's powers.

Body corporate representatives should lodge this documentation with the Company's share registry no later than 48 hours prior to the AGM, unless it has been previously given to the Company.

### SHAREHOLDER QUESTIONS

The Company is offering a facility for Shareholders to submit written questions in advance of the AGM.

To submit a written question, please complete and return the shareholder question form that has been lodged on the ASX and posted on Perpetual's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders) or submit the question online through the share registrar's website, in accordance with the instructions on the form.

Questions must be received by the Company's share registrar by no later than 5pm (Sydney time) on Thursday, 14 October 2021.

Questions should relate to matters that are relevant to the business of the AGM, as outlined in this Notice of Meeting and the attached Explanatory Memorandum.

Questions that are relevant to:

- the contents of the auditor's report; or
  - the conduct of the audit of the Company's financial report;
- may be addressed to the Company's auditor.

Questions will be collated, and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible and, where appropriate, will give a representative of KPMG, the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to Shareholders.

Shareholders will be given an opportunity to ask questions in real-time by telephone. A personalised PIN is needed to ask questions by telephone. To receive a personalised PIN, please contact Link Market Services before the AGM. Dial-in details for the AGM and contact details for Link Market Services are included in the Online Guide. If you plan to ask questions by telephone, you will still need to log into the online platform if you wish to vote during the meeting.

### PARTICIPATING ONLINE

Shareholders and proxyholders can watch, ask questions, make comments and vote in real time during the AGM through an online facility at <https://agmlive.link/PPT21>.

To register, shareholders will need their shareholder number and postcode. Proxyholders will need their proxy number which will be provided by Link Market Services following lodgement of the proxy appointment and no later than 24 hours prior to the meeting. Online participants should register at least 30 minutes before the AGM. The online platform will contain additional details as to how to vote and ask questions during the AGM. Further information can also be found in the Online Guide, which has been lodged with the ASX and posted on Perpetual's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

In addition, the AGM, including the addresses of the Chairman and CEO, will be available for viewing by visitors via live webcast. Any slides will also be available on the Company's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders). For information about how to access the webcast of the AGM please go to [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

### TECHNICAL DIFFICULTIES

Technical difficulties may arise during the course of the AGM. The Chairman has discretion as to whether and how the meeting should proceed if a technical difficulty arises. In exercising his discretion, the Chairman will have regard to the number of Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chairman may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

As previously noted, Shareholders are encouraged to lodge a proxy by 10am (Sydney time) on Tuesday, 19 October 2021 even if they plan to participate in the meeting online, so that their vote will be counted if for any reason they cannot vote on the day.

# Explanatory Memorandum

## Financial and statutory reports

The financial report and the reports of the Directors and of the auditor for the financial year ended 30 June 2021 will be put before the AGM, as required by section 317 of the Corporations Act. The Corporations Act does not require a formal resolution of Shareholders on these reports. These reports are contained within the Company's 2021 Annual Report which is available on the Company's website at [www.perpetual.com.au/About/Shareholders](http://www.perpetual.com.au/About/Shareholders).

During this item of business, Shareholders will be given a reasonable opportunity to ask questions about, and make comments on, those reports and the business and management of the Company. Please see "Information for Shareholders" in relation to any questions that Shareholders would like to put to the Company's auditors.

### Resolution 1: Adoption of the Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report for the financial year ended 30 June 2021. The Remuneration Report provides information relating to:

- the Board's policy in relation to the remuneration paid to KMP;
- the relationship between remuneration and the Company's performance, including information about performance measures applicable to variable incentives; and
- details of the remuneration paid to KMP for the financial year ended 30 June 2021.

The Company's approach to remuneration in FY21 was explained in the letter prefacing the Remuneration Report from the Chairman of the Company's People and Remuneration Committee as follows:

Dear Shareholder,

On behalf of your Board, as always it gives me great pleasure to present to you our Remuneration Report for the financial year ended 30 June 2021 (FY21). Our Remuneration Report provides our shareholders and other stakeholders with a thorough and transparent explanation of how FY21 remuneration outcomes for our Key Management Personnel (KMP) align with our recent performance, long-term objectives, and reflect the current economic context.

### Perpetual's performance in FY21

Despite the external environmental challenges, our Group Executives have done an important job in executing the Company's strategy and gaining lost ground from the impacts of the COVID-19 pandemic. Underlying profit after tax (UPAT) was \$124.1 million for FY21, 26% higher than FY20 reflecting increased scale following the acquisitions of Barrow Hanley Global Investors (Barrow Hanley) and Trillium Asset Management (Trillium). Even with increased investment in distribution relative to prior years, Perpetual delivered improved performance, with underlying EPS growth of 6% on FY20.

FY21 was a critical year for our strategic positioning and growth opportunities. The acquisitions of Barrow Hanley and Trillium were truly transformational and delivered immediate and ongoing value to shareholders and clients. These significant acquisitions have repositioned Perpetual for future growth and long-term resilience.

In addition to the improved financial performance, Perpetual continues to deliver positive outcomes for customers, as demonstrated by substantially improved investment performance and a group Net Promoter Score (NPS) outcome of +44 in FY21 – achieving Perpetual's goal of maintaining NPS above +40 even during a period when COVID-19 has had a significant impact on client engagement.

### FY21 variable remuneration outcomes

Perpetual continues to use a balanced scorecard that considers short, medium and long-term strategic priorities. For FY21, the scorecard was weighted 60% to financial performance measures and 40% to other strategically important non-financial measures that the Board considers to be key lead indicators of future business value creation.

To recognise the potential impact of the Barrow Hanley acquisition on remuneration outcomes, the Board determined to apply an additional EPS accretion gateway to two-fifths of the UPAT measure under the FY21 balanced scorecard, as well as increasing the FY21 UPAT target to reflect the anticipated additional profit associated with the acquisition. Both the gateway and revised UPAT target were achieved in FY21.

In arriving at the proposed Variable Incentive outcomes for executives in FY21, the Board weighed up financial performance, successful implementation of strategy, retention in a more competitive market for talent and shareholder alignment and returns. As outlined in the Chairman's letter, Perpetual is at an important time in its transformation and the Board considers that a fairly rewarded and incentivised senior team focused on execution is key. Consequently, the Board has determined to award the CEO a Variable Incentive award of 100% of target, or 57% of maximum opportunity, with individual outcomes for other Group Executives between 78% to 112% of target (average of 93%), or 44% to 64% of maximum (average of 54%).



## Explanatory Memorandum

During FY21, the deferred equity component of the FY18 Variable Incentive awards vested for participating executives. The vested value of the grants were, on average, 30% of the maximum (a reduction from the grant value of, on average, 44% of the maximum), reflecting Perpetual's share price performance over the two-year vesting period and aligning Group Executives' outcomes with shareholders' experience. The Board in exercising its discretion confirmed the vesting outcomes given they reflected the unhurdled design of the FY18 grants, no material risk events were identified, and vested equity is subject to an additional two-year holding period.

### COVID-19 and remuneration

The prolonged COVID-19 pandemic continues to present challenging economic and market conditions, whilst also significantly impacting the wider community.

In response to the uncertainty caused by the pandemic, the Group Executives and Non-executive Directors (NEDs) agreed to voluntary reductions of fixed pay and base Director fees respectively. For the first six months of FY21, the CEO and other Group Executives took fixed pay reductions of 20% and 10%, respectively. For the same period, the Chairman took a 20% reduction in base Director fees, with other Board members taking a 10% reduction.

Increases were made for two executives during the latter half of FY21 in recognition of broader responsibilities with reference to internal relativities and external market benchmarks (see Section 1.1).

### Looking forward

No significant changes to our executive remuneration framework will take place for FY22, beyond some Group Executives receiving fixed remuneration increases (approximately 3% in aggregate) with effect from 1 September 2021. In addition, base Director fees for the Chairman and Non-executive Directors will increase effective 1 July 2021, which will be the first increase since FY16.

We will consider additional enhancements in the coming years to ensure our remuneration framework aligns with our strategy, emerging industry trends/better practice, and is compliant with upcoming regulatory changes, including the Financial Accountability Regime and APRA's draft remuneration prudential standard (CPS 511).

The Board is confident that Perpetual's remuneration framework remains aligned to our strategy, core values and desired culture, and continues to be supported by our robust risk management framework.

On behalf of the Board, I would like to thank shareholders and other stakeholders for your valuable feedback and ongoing dialogue on our remuneration approach. We look forward to continuing our engagement with you.

Yours sincerely,



### Nancy Fox AM

Chairman, People and Remuneration Committee

Under the Corporations Act, the vote on this resolution is advisory only and does not bind the Board or the Company. However, the Company values its Shareholders' feedback.

A voting exclusion applies to this resolution, as set out earlier in the Notice of Meeting.

The Board unanimously recommends that Shareholders vote in favour of resolution 1. The Chairman of the AGM intends to vote all available proxies in favour of resolution 1.



## Explanatory Memorandum

### Resolution 2: Re-appointment of Mr Craig Ueland

Clause 20.9.1 of the Company's Constitution provides that a Director must not hold office without re-appointment past the third annual general meeting following the director's appointment or three years, whichever is longer.

Mr Craig Ueland was appointed as a Director of Perpetual Limited in March 2012 and was last re-appointed at the 2018 AGM. He now stands for re-appointment. The Board considers Mr Craig Ueland to be an independent Director.

The Board has a policy that non-executive directors should not seek re-election after three elected terms unless the Board requests them to do so. Mr Craig Ueland is seeking re-election at the Board's request. The Board considers Mr Craig Ueland's extensive overseas experience, including his US experience, to be highly relevant and beneficial given the Company's recent acquisition of two US asset management firms. Hence the Board has asked him to stay for what will be his final term in line with the Board's rotation policy.

Mr Craig Ueland was formerly President and Chief Executive Officer of Russell Investments, a global leader in multi-manager investing. He previously served as Russell's Chief Operating Officer, Chief Financial Officer, and Managing Director of International Operations, which he led from both London and the firm's headquarters in the US. Earlier in his career he opened and headed Russell's first office in Australia. Mr Craig Ueland is a Committee member of the Endowment Investment Committee for The Benevolent Society, is a Board Member of the Stanford Australia Foundation and the Supervisory Board of OneVentures Innovation and Growth Fund II.

The Board supports Mr Craig Ueland's re-appointment because he brings to the Board detailed knowledge of global financial markets and the investment management industry, gleaned from more than 20 years as a senior executive of a major investment firm, along with a strong commitment to leadership development and corporate strategy development and execution.

Mr Craig Ueland is Chairman of Perpetual's Investment Committee and a member of Perpetual's Audit, Risk and Compliance Committee and Nominations Committee.

The Directors (with Mr Craig Ueland abstaining) unanimously support the re-appointment of Mr Craig Ueland to the Board and recommend that Shareholders vote in favour of resolution 2.

The Chairman of the AGM intends to vote all available proxies in favour of resolution 2.

### Resolution 3: Re-Appointment of Mr Ian Hammond

Mr Ian Hammond was appointed as a Director of Perpetual Limited in March 2015 and was last re-appointed at the 2018 AGM. He now stands for re-appointment. The Board considers Mr Ian Hammond to be an independent Director.

Mr Ian Hammond was a partner at PricewaterhouseCoopers for 26 years and during that time held a range of senior management positions including lead partner for several major financial institutions. He has previously been a member of the Australian Accounting Standards Board and represented Australia on the International Accounting Standards Board. Mr Ian Hammond is a Non-executive Director of Suncorp Group Limited and Venues NSW and a Board Member of not-for-profit organisations including Mission Australia and Chris O'Brien Lifehouse.

The Board supports Mr Ian Hammond's re-appointment because he has a deep knowledge of the financial services industry and brings to the Board expertise in financial reporting and risk management.

Mr Ian Hammond is Chairman of Perpetual's Audit, Risk and Compliance Committee and a member of Perpetual's Investment Committee and Nominations Committee.

The Directors (with Mr Ian Hammond abstaining) unanimously support the re-appointment of Mr Ian Hammond to the Board and recommend that shareholders vote in favour of resolution 3.

The Chairman of the AGM intends to vote all available proxies in favour of resolution 3.

### Resolution 4: Re-Appointment of Ms Nancy Fox AM

Ms Nancy Fox AM was appointed as a Director of Perpetual Limited in September 2015 and was last re-appointed at the 2018 AGM. She now stands for re-appointment. The Board considers Ms Nancy Fox AM to be an independent Director.

Ms Nancy Fox AM has more than 30 years' experience in financial services, securitisation and risk management gained in Australia, the US and across Asia. A lawyer by training, she was Deputy Chairman of the Board of Taronga Conservation Society Australia until 2021, Managing Director for Ambac Assurance Corporation from 2001 to 2011 and previously Managing Director of ABN Amro Australia from 1997 to 2001.

She is currently Chairman of Perpetual Equity Investment Company Limited, a Non-executive Director of ING Bank Australia, Lawcover Pty Ltd, Mission Australia and Aspect Studios Pty Ltd. The Board supports Ms Nancy Fox AM's re-appointment because she brings to the Board a deep knowledge of developing and leading successful financial services businesses and extensive experience with securitisation, regulatory frameworks, risk management and governance.

Ms Nancy Fox AM is Chairman of Perpetual's People and Remuneration Committee and a member of Perpetual's Audit, Risk and Compliance Committee and Nominations Committee.

The Directors (with Ms Nancy Fox AM abstaining) unanimously support the re-appointment of Ms Nancy Fox AM to the Board and recommend that Shareholders vote in favour of resolution 4.

The Chairman of the AGM intends to vote all available proxies in favour of resolution 4.

## Explanatory Memorandum

### Resolution 5: Re-Appointment of Ms Mona Aboelnaga Kanaan

Clauses 20.9.3 and 20.2.2 of the Company's Constitution provide that a Director appointed as an addition to the Board must not hold office without re-appointment past the next annual general meeting following the director's appointment and must be confirmed in office at the next AGM.

Ms Mona Aboelnaga Kanaan was appointed as a Director of Perpetual Limited on 28 June 2021 and now stands for re-appointment by Shareholders for the first time. The Board considers Ms Mona Aboelnaga Kanaan to be an independent Director.

Based in New York, USA, Ms Mona Aboelnaga Kanaan is an experienced director, and asset management executive having held leadership positions over a distinguished career spanning more than thirty years. She is currently the Managing Partner of K6 Investments LLC, an independent private equity firm which she founded in 2011.

Previously, Ms Mona Aboelnaga Kanaan served as President and CEO of Proctor Investment Managers LLC, a New York City-based firm she co-founded in 2002 to acquire and scale traditional and alternative asset managers. Ms Mona Aboelnaga Kanaan sold the firm to National Bank of Canada in 2006 and remained CEO until 2013.

Ms Mona Aboelnaga Kanaan is currently a Director and Chairperson of the Audit Committees of Sterling Bancorp (NYSE: STL) and FinTech Acquisition Corp VI (Nasdaq: FTVI).

Ms Mona Aboelnaga Kanaan holds a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania and an MBA from Columbia University's Graduate School of Business.

The Board supports the appointment of Ms Mona Aboelnaga Kanaan because she brings to the board deep expertise in scaling, acquiring and modernising global asset management and financial services firms and considers her experience to be highly relevant and beneficial given the Company's recent acquisition of two US asset management firms.

Ms Mona Aboelnaga Kanaan has held the following listed company directorships during the past three financial years:

- Sterling Bancorp (from May 2019 to present)
- Fintech Acquisition Corp. VI (from February 2021 to present)

Appropriate background checks were conducted before Ms Mona Aboelnaga Kanaan was appointed to the Board.

The Directors (with Ms Mona Aboelnaga Kanaan abstaining) unanimously support the appointment of Ms Mona Aboelnaga Kanaan to the Board and recommend that shareholders vote in favour of resolution 5.

The Chairman of the AGM intends to vote all available proxies in favour of resolution 5.

### RESOLUTIONS 6(a) AND 6(b): Approval of the 2021 variable incentive equity grants for the CEO and Managing Director

#### a) Grant of Share Rights to the CEO and Managing Director

#### b) Grant of Performance Rights to the CEO and Managing Director

ASX Listing Rule 10.14 permits the Company to issue securities to a Director under an employee incentive scheme if that Director's participation in the employee incentive scheme has been approved by shareholders. Accordingly, these resolutions are being put to Shareholders to seek approval for a grant of 21,560 unhurdled share rights and 21,560 hurdled performance rights to be made to the Chief Executive Officer and Managing Director (**CEO**) Mr Rob Adams in accordance with the Company's Variable Incentive Plan and Mr Rob Adams' contract of employment.

The variable incentive equity grant approved at the 2020 AGM was granted entirely as performance rights (which vest on a specific date subject to performance conditions). As described below, the Variable Incentive award for FY21 will be granted under the standard KMP Variable Incentive structure, with the equity component of this award being awarded as one-half unhurdled share rights and one-half hurdled performance rights.

#### Mr Rob Adams' Remuneration

There are two components to Mr Rob Adams' remuneration.

##### *Fixed remuneration*

The fixed remuneration component is \$1,302,776 per annum, inclusive of cash salary, superannuation, any packaged benefits and associated fringe benefits tax. Fixed remuneration is reviewed by the Board annually, noting that no change has been made to the CEO's fixed remuneration since his appointment in 2018 (outside of the disclosed voluntary 20% fixed remuneration reduction for the period from 1 July 2020 to 31 December 2020).

##### *Variable incentive*

Mr Rob Adams participates in the Variable Incentive Plan. Under this plan, he is awarded an incentive (less applicable taxes and superannuation) based on the Board's holistic assessment of the CEO's performance, which includes an assessment against an agreed scorecard as well as risk and behavioural performance.

The CEO's FY21 Variable Incentive outcome was determined with a 70% weighting placed on Company performance and a 30% weighting on individual contribution over the course of the performance year. The Board has considered the individual contribution of Mr Rob Adams for FY21 with reference to progress against key strategic and individual priorities agreed at the commencement of the performance year.

## Explanatory Memorandum

Pleasingly, in addition to the progress demonstrated against these priorities, the CEO had a number of achievements which are highlighted below:

- The successful closing of the transformational acquisition of Barrow Hanley Global Investors in FY21 delivered important diversification by geography, asset class and client channel for Perpetual. The CEO's leadership in the timing and execution of this deal were key factors considered in respect of his performance in FY21.
- The build-out of Perpetual's global distribution team continued in FY21, with key placements being made in the US, Europe and Australia. The second half of FY21 delivered early validation of the distribution team's strategy, with an improvement in net flows for Perpetual Asset Management Australia, alongside continued acceleration of net flows within Trillium. Given the criticality of this program to the success of the Trillium and Barrow Hanley deals and future business growth, the important early progress of this work was considered as part of the CEO's performance assessment in FY21.
- Throughout a difficult year with lockdowns, uncertainty and limitations on travel to develop relationships with newly acquired businesses, the CEO has been able to obtain strong support from clients, investors, employees, his leadership team and from the Board.
- Other specific and value adding initiatives include the ongoing assessment of Perpetual's approach to investor management, continued focus on building a cohesive and aligned executive team and maintaining a robust potential acquisition pipeline within each of the four businesses.

The Board has determined to award the CEO an overall incentive outcome of 100% of target, or 57% of the maximum, in respect of FY21, equating to an overall value of \$2,277,886. 78% of the CEO's total Variable Incentive award (i.e. \$1,777,886) will be delivered as equity, subject to shareholder approval. The equity component of the CEO's Variable Incentive for FY21 is to be delivered as a grant of (a) share rights (50%) and (b) performance rights (50%) as follows:

(a) Share rights

- 21,560 share rights, representing a face value of \$888,943, will vest on 1 September 2023 and convert into restricted shares for an additional two-year period;

(b) Performance rights

- 10,780 performance rights, representing a face value of \$444,471, will vest on 1 September 2024 subject to a three-year Compound Annual Growth Rate (CAGR) absolute Total Shareholder Return (TSR) hurdle and convert into restricted shares for an additional 12 months; and
- 10,780 performance rights, representing a face value of \$444,471, will vest on 1 September 2025 subject to a four-year CAGR absolute TSR hurdle and convert into unrestricted shares.

Any restricted shares received on conversion of share rights or performance rights will be eligible to receive dividends and will be released from restrictions on 1 September 2025. Share rights and performance rights are not eligible to receive dividends.

The absolute three and four-year CAGR TSR performance hurdles will be aligned to the following achievement scale:

COMPOUND ANNUAL GROWTH IN TSR	PERCENTAGE OF RELEVANT TRANCHE OF PERFORMANCE RIGHTS THAT VEST
Less than 7 % per annum	0%
7% to 10% per annum	Straight-line vesting from 50% to 100%
10% or above per annum	100%

The number of share rights and performance rights for which shareholder approval is sought for FY21 performance was determined by dividing \$1,777,886 by the face value of a Perpetual share, calculated using the five-day Volume Weighted Average Price leading up to and including 1 September 2021, this being \$41.23.

At Perpetual, risk is a key component of the performance framework. The Board will have discretion to adjust or clawback vested and unvested equity based on risk behaviour and will have additional malus and clawback powers under the terms of the grant and Perpetual's policy.

### *Treatment of share rights and performance rights on cessation of employment*

If Mr Rob Adams ceases employment with the Company due to resignation by Mr Rob Adams or summary dismissal by Perpetual, all Mr Rob Adams' unvested share rights or performance rights will lapse. Restricted shares are retained on resignation (subject to the original conditions and restriction period) but are forfeited in the case of summary dismissal.

Should termination occur:

- due to termination by the Company with notice;
- redundancy;
- retirement (subject to Board approval);
- by Mr Rob Adams because of illness or injury; or
- by mutual agreement between the Company and Mr Rob Adams,

unvested share rights, performance rights and restricted shares will be retained with vesting conditions and restriction periods continuing to apply, unless the Board determines otherwise.

If termination occurs due to Mr Rob Adams' death, all unvested performance rights and restricted shares will immediately vest and be released, subject to Board approval.

## Explanatory Memorandum

### *Other Board discretions under the Variable Incentive Plan*

The Board has discretion to make changes under the Variable Incentive Plan. For example, the Board has discretion to:

- determine that all or a specified number of Mr Rob Adams' unvested share rights or performance rights vest, or restricted shares become unrestricted, in various change of control circumstances, having regard to all the relevant circumstances;
- exercise malus and clawback powers; and
- amend or add to the terms of the Variable Incentive Plan.

The Company's Remuneration Report for the financial year ended 30 June 2021 contains further details about the Variable Incentive Plan.

### *If shareholders do not approve the grant to the Managing Director and CEO*

The equity component of the Variable Incentive is a very important part of the CEO's total remuneration package. If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise the CEO. This alternative incentive will be equivalent in value to the equity Mr Rob Adams would have received had shareholder approval been obtained and will be subject to the same vesting periods, performance hurdles and, so far as is possible, other terms and conditions.

### *Other information provided in accordance with the ASX Listing Rules*

Share rights and performance rights are granted to the CEO as part of the CEO's variable remuneration. The CEO is not required to pay any cash consideration to receive rights, or to receive restricted shares on vesting of share rights or performance rights.

Perpetual grants the award in the form of share rights and performance rights because they create share price alignment between Mr Rob Adams and shareholders but do not provide Mr Rob Adams with the full benefits of share ownership (such as dividend and voting rights) unless the rights vest.

No loans will be provided in relation to the grant.

**10,551** share rights and **54,426** performance rights have previously been issued to Mr Rob Adams under the Variable Incentive Plan (at no cost to him).

If approval is given for the purposes of ASX Listing Rule 10.14 the share rights and performance rights will be issued no later than 12 months after the 2021 AGM.

Details of any share rights and performance rights issued under the Variable Incentive Plan will be published in Perpetual's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of rights under the Variable Incentive Plan after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Listing Rule 10.15.4 requires this Notice of Meeting to include details (including the amount) of Mr Adams' current total on-target remuneration package:

Total Fixed Remuneration (including superannuation)	\$1,302,776
Variable Incentive cash	\$500,000 (at target) <sup>1</sup>
Variable Incentive share rights (unhurdled equity)	\$888,943 (at target) <sup>1</sup>
Variable Incentive performance rights (hurdled equity)	\$1,028,943 (at target) <sup>1</sup>

1. The Variable Incentive at maximum is 175% of the target award.

A voting exclusion applies to resolutions 6(a) and 6(b), as set out earlier in the Notice of Meeting.

The Directors (with Mr Rob Adams abstaining) unanimously recommend that Shareholders vote in favour of resolutions 6(a) and 6(b). The Chairman of the AGM intends to vote all available proxies in favour of resolutions 6(a) and 6(b).

### **RESOLUTION 7: Renewal of Proportional Takeover Provisions**

Clause 11.9 and Schedule 2 of the Company's Constitution contain provisions relating to proportional takeovers (**Proportional Takeover Provisions**).

This is a special resolution. For a special resolution to pass, at least 75% of the votes cast by members entitled to vote on the resolution must be in favour. If this special resolution is approved and a takeover bid is subsequently made for some but not all of each Shareholder's shares, the Proportional Takeover Provisions will enable Shareholders as a whole to vote on whether the proportional bid should be allowed to proceed, independently from their individual decisions whether or not to accept the bid.

Under the Corporations Act, Shareholder approval of provisions relating to proportional takeovers extend for a three year period. Once the three year period elapses those provisions cease to have effect unless Shareholder approval is renewed by special resolution.

## Explanatory Memorandum

The Proportional Takeover Provisions were last refreshed at the Company's 2018 AGM and will expire shortly after the 2021 AGM if they are not renewed.

Item 7 is a special resolution to renew the Proportional Takeover Provisions for a further three years.

More detail about the renewal of the Proportional Takeover Provisions is set out below.

### *What is a proportional takeover bid, and why do we need the proportional takeover provisions?*

A proportional takeover bid (also referred to as a 'partial takeover bid') involves the bidder offering to buy a proportion of each Shareholder's shares in the Company. This means that control of the Company may pass without Shareholders having the chance to sell all their shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its Constitution that:

- in the event of a proportional takeover bid being made for shares in the Company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- the majority decision of the Company's Shareholders will be binding on all individual Shareholders.

The Board considers that Shareholders should be able to vote on whether a proportional takeover bid ought to proceed. Such a bid might otherwise allow control of the Company to change without Shareholders being given the opportunity to dispose of all their shares for a satisfactory control premium. The Board also believes that the right to vote on a proportional takeover bid may avoid Shareholders feeling pressure to accept the bid even if they do not want it to succeed.

### *What is the effect of the Proportional Takeover Provisions?*

If a proportional takeover bid is made, the Board must ensure that Shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, except for the bidder and its associates, who are not allowed to vote.

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The Proportional Takeover Provisions do not apply to full takeover bids and only apply for three years after the date of approval. The provisions may be renewed, but only by a special resolution. Similar provisions are commonly found in the constitutions of publicly-listed companies on the ASX and are regularly renewed.

### *Potential advantages and disadvantages*

The renewal of the Proportional Takeover Provisions will allow the Board to ascertain Shareholders' views on a proportional takeover bid. It does not otherwise offer any advantage or disadvantage to the Board who remain free to make their own recommendation as to whether the bid should be accepted.

The provisions will ensure that all Shareholders have an opportunity to study a proportional bid proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of Shareholders, including appropriate pricing. Similarly, knowing the view of the majority of Shareholders may help individual Shareholders assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids. It may reduce any speculative element in the market price of the Company's shares arising from the possibility of a takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of Shareholders to freely deal with their shares.

The Board considers that the potential advantages for Shareholders of the Proportional Takeover Provisions outweigh the potential disadvantages.

There have been no proportional takeover bids for the Company during the period that the Proportional Takeover Provisions have been in effect. Therefore, there has been no example against which to review the advantages or disadvantages of the provisions for the Board and the Shareholders, respectively, during this period.

At the date this statement was prepared, the Board is not aware of a proposal by a person to acquire, or to increase, a substantial interest in the Company.

The Board unanimously recommend that Shareholders vote in favour of the special resolution to renew the Proportional Takeover Provisions in the Company's Constitution.

---

# Directory

**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

**AUSTRALIAN CAPITAL TERRITORY**

Level 9, Nishi Building  
2 Phillip Law Street  
Canberra ACT 2601

**VICTORIA**

Level 28 and 29  
Rialto South Tower  
525 Collins Street  
Melbourne VIC 3000

**SOUTH AUSTRALIA**

Level 11, 101 Grenfell Street  
Adelaide SA 5000

**WESTERN AUSTRALIA**

Exchange Tower  
Level 29, 2 The Esplanade  
Perth WA 6000

**SINGAPORE**

16 Collyer Quay #07-01  
Singapore 049318

**CHICAGO**

155 N Wacker Drive  
Suite 4250  
Chicago, IL 60606  
USA

**AMSTERDAM**

Apollolaan 151  
1077AR Amsterdam  
Netherlands

**TRILLIUM ASSET MANAGEMENT:****Boston**

Two Financial Center  
60 South Street, Suite 1100  
Boston, MA 02111  
USA

**San Francisco**

160 Spear Street, Suite 250  
San Francisco, CA 94105  
USA

**Portland**

721 NW Ninth Avenue, Suite 250  
Portland, OR 97209  
USA

**London**

20 North Audley Street  
London W1K 6LX  
United Kingdom

**Edinburgh**

15 Queen Street  
Edinburgh EH2 1JE  
United Kingdom

**BARROW HANLEY GLOBAL INVESTORS:****Dallas**

2200 Ross Avenue, 31st Floor  
Dallas, TX 75201  
USA

**Hong Kong**

Unit 22, Level 10  
BOC Group Life Assurance Tower  
139 Des Voeux Road Central  
Central Hong Kong