



**PERPETUAL  
EQUITY  
INVESTMENT  
COMPANY  
LIMITED**

**NOTICE OF 2024  
ANNUAL GENERAL MEETING**

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ACN 601 406 419

Perpetual 

## CHAIRMAN'S LETTER

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**Nancy Fox AM**  
Chairman

Dear Shareholder,

It is my pleasure to invite you to the Annual General Meeting (**AGM**) of shareholders of Perpetual Equity Investment Company Limited (ABN 68 601 406 419) (**Company**) (**Shareholders**), which will be held at 10.00am (Sydney time) on Thursday, 7 November 2024 at the registered office of the Company, which is at Angel Place, Level 18, 123 Pitt Street, Sydney, New South Wales, and online at <https://meetings.linkgroup.com/PIC24>.

If you participate online, you will be able to view the live webcast of the AGM, ask questions, make comments, and submit your vote in real time.

### Accessing meeting documents

In accordance with section 110D(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company will not be sending hard copies of this notice of meeting (**Notice**) and the Company's 2024 Annual Report (**Annual Report**) to Shareholders unless a Shareholder has requested a hard copy.

The Notice and the Online Guide for participating in the AGM is available on our website at <http://www.perpetualequity.com.au/shareholders/annual-general-meeting> and a copy of the Annual Report is available on our website at <http://www.perpetualequity.com.au/shareholders/financial-results/>.

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

You may appoint a proxy to attend the AGM and vote on your behalf by following the instructions in the proxy form, which must be received by **10:00am (Sydney time) on Tuesday, 5 November 2024**. Any proxy appointments received after that time will not be valid for the AGM. Even if you plan to attend in person or participate in the AGM online, we strongly encourage you to submit a directed proxy vote prior to the AGM so that your vote will be counted if, for any reason, you cannot vote on the day.

We also invite you to submit questions online to the Company or the Company's auditor (**Auditor**) in advance of the AGM at <https://investorcentre.linkgroup.com>. Questions submitted this way must be received no later than **10:00am (Sydney time) on Thursday, 31 October 2024**.

During the AGM, Shareholders will also be able to submit questions. Further information on how to submit your questions for those Shareholders planning to attend the AGM online is set out on the following pages.

## Items for deliberation at the AGM

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

- the financial and statutory reports for the financial year ended 30 June 2024;
- the re-election of Ms Amanda Apted (also known as Ms Amanda Gillespie) as an Executive Director of the Company;
- the re-election of Ms Virginia Malley as an independent Non-executive Director of the Company;
- an advisory vote on the adoption of the remuneration report for the financial year ended 30 June 2024 (**Remuneration Report**);
- the renewal of the proportional takeover provisions in the Company's constitution; and
- entry into a new Management Agreement with Perpetual Investment Management Limited (ABN 18 000 866 535).

## Further information and updates

Full details of each item of business are set out in this Notice and in the Explanatory Notes.

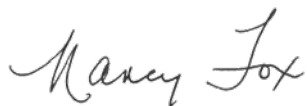
This Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If it becomes necessary for the Company to give further updates about the AGM, information will be lodged with the ASX and on the Company's website.

I look forward to welcoming you to the AGM and providing you with a progress report on the Company. Our Portfolio Manager, Vince Pezzullo, will also provide you with an update on the performance of the Company's investment portfolio during the AGM.

## Other

The Company encourages Shareholders to provide an email address so we can communicate with you electronically for items such as notices of meeting and annual reports. Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review or update your communication preferences, please do so via the Investor Centre at <https://investorcentre.linkgroup.com>.



**Nancy Fox** AM  
Chairman

**8 October 2024**



## NOTICE OF MEETING

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Notice is given that the AGM of shareholders of the company will be held on Thursday, 7 November 2024 at 10am (Sydney time) at Angel Place, Level 18, 123 Pitt Street, Sydney, New South Wales (and online at <https://meetings.linkgroup.com/PIC24>) for the purpose of transacting the following business referred to in this notice.

### DATE

Thursday 7 November 2024

### TIME

10.00am (Sydney time)

### VENUE

Angel Place, Level 18, 123 Pitt Street, Sydney, New South Wales 2000 (**Venue**), and online at <https://meetings.linkgroup.com/PIC24>

**(Online Platform)**



The enclosed Explanatory Notes 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 Meeting.

## AGENDA

9.30am	Registration opens at the Venue
9.30am	Registration opens via the Online Platform
10.00am	AGM commences
	Chairman's address
	Investment Manager presentation
	Items of Business

## Participating in the AGM

Shareholders (including any body corporate representatives appointed pursuant to section 250D of the Corporations Act) and proxyholders (including any body corporate representatives appointed pursuant to section 250D of the Corporations Act) can attend the AGM in person at the Venue or participate in the AGM online via the Online Platform.

Online and in person registration will open at 9.30am (Sydney time) on Thursday, 7 November 2024. To register online, you will need to log in to the Online Platform through a compatible web browser using a computer, tablet or mobile device with an internet connection.

Shareholders joining online 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 form and no later than 24 hours prior to the AGM.

Link Market Services is part of the Link Group which is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

Further information about participating online 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 the Company's website at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>.

Shareholders participating online can watch, ask questions (verbally, by telephone, or in writing), make comments and vote in real time during the AGM through the Online Platform.

Any presentation slides from the AGM will also be available on the Company's website <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>.

Shareholders are encouraged to monitor the Company's website and ASX announcements for updates if it becomes necessary to make appropriate alternative arrangements for the holding or conduct of the AGM.

## Shareholder questions in advance of the AGM

The Company is offering a facility for Shareholders to submit written questions in advance of the AGM. Such questions can be submitted online at <https://investorcentre.linkgroup.com>.

Questions must be received by the Company's share registry by no later than **10:00am (Sydney time) on Thursday, 31 October 2024**. Questions should relate to matters that are relevant to the business of the AGM, as outlined in this Notice and the attached Explanatory Notes.

Questions that are relevant to:

- the contents of the Auditor's report; or
- the conduct of the audit of the Company's financial report for the year ended 30 June 2024,

may be addressed to the Auditor.

Copies of the questions asked to the Auditor on or before 31 October 2024 will be made reasonably available to Shareholders at the Venue and via the Online Platform.

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 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. Subject to section 250T(4) of the Corporations Act, please note that individual responses will not be sent to Shareholders.

## Technical difficulties

Technical difficulties may arise during the AGM. The Chairman may, subject to the Corporations Act and the Company's constitution, allow the AGM to continue or may adjourn the AGM either for such reasonable period as may be required to fix the technology or to such other time and location as the Chairman deems appropriate.

As previously noted, Shareholders are strongly encouraged to lodge a proxy by **10:00am (Sydney time) on Tuesday, 5 November 2024** even if they plan to participate in the AGM online or at the physical location, so that their vote will be counted if for any reason they cannot vote on the day.

## Annual report

A copy of the Annual Report (including the report of the directors of the Company for the financial year ended 30 June 2024 (**Directors' Report**) and the report of the Auditor for the financial year ended 30 June 2024 (**Auditor's Report**)), and the Company's Corporate Governance Statement are available on the Company's website at <http://www.perpetualequity.com.au/shareholders/financial-results/> and <https://www.perpetualequity.com.au/about/corporate-governance/>

## Items of business

### FINANCIAL AND STATUTORY REPORTS

To receive and consider the financial report of the Company for the year ended 30 June 2024 (**Financial Report**), together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

### RESOLUTION 1

#### RE-ELECTION OF MS AMANDA APTE AS AN EXECUTIVE DIRECTOR OF THE COMPANY

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

*"That, Ms Amanda Apted, who retires in accordance with clause 15.6 of the Company's constitution and, being eligible for re-election, be re-elected as an Executive Director of the Company for a term of three years."*

### RESOLUTION 2

#### RE-ELECTION OF MS VIRGINIA MALLEY AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY

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

*"That, Ms Virginia Malley, who ceases to hold office in accordance with clause 15.5 of the Company's constitution and ASX Listing Rule 14.4, and who is invited by the board of directors of the Company (**Board**) to stand for re-election, be re-elected as an Independent Non-executive Director of the Company for a term of one year."*

### RESOLUTION 3

#### NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a **non-binding ordinary resolution**:

*"That, the Remuneration Report as set out in the Annual Report be adopted in accordance with section 250R of the Corporations Act."*

**Note:** In accordance with section 250R of the Corporations Act, the vote on Resolution 3 will be advisory only and does not bind the directors of the Company or the Company. Shareholders are encouraged to read the Explanatory Notes for further details on the consequences of voting on Resolution 3.

#### Voting Exclusion statement for Resolution 3:

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 3 by or on behalf of a member of the Company's key management personnel (as that term is defined in the Corporations Act) (**KMP**) whose remuneration details are included in the Remuneration Report, or their closely related parties (as that term is defined in the Corporations Act) (**Closely Related Parties**) (regardless of the capacity in which the vote is cast).

However, the Company will not disregard any votes cast on Resolution 3:

- by a member of the KMP whose remuneration details are included in the Remuneration Report or their closely related party as proxy (who has been appointed in writing) for a Shareholder entitled to vote on Resolution 3, in accordance with a written direction given to the proxy to vote on Resolution 3 in that way; or
- by the Chairman of the AGM (who is a member of the KMP whose remuneration details are included in the Remuneration Report or their closely related party) as proxy for a Shareholder entitled to vote on Resolution 3, in accordance with an express authorisation in the proxy form to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of the Company's KMP and where the proxy form does not specify the way the Chairman is to vote on Resolution 3.

Further, a member of the KMP or their Closely Related Party who is appointed as a proxy will not vote on Resolution 3 unless:

- the appointment specifies the way the proxy is to vote on Resolution 3; or
- the proxy is the Chairman of the AGM and the appointment expressly authorises the Chairman to exercise the proxy even though Resolution 3 is connected directly or indirectly with the remuneration of a member of the KMP.

#### **RESOLUTION 4**

##### **RENEWAL OF THE PROPORTIONAL TAKEOVER PROVISIONS IN THE COMPANY'S CONSTITUTION**

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

*"That, the existing proportional takeover provisions in the form set out in clause 28 of the Company's constitution (as last approved by Shareholders) are renewed for a period of three (3) years, commencing from the date of this AGM pursuant to section 648G of the Corporations Act."*

#### **RESOLUTION 5**

##### **APPROVAL TO ENTER INTO A NEW MANAGEMENT AGREEMENT WITH PERPETUAL INVESTMENT MANAGEMENT LIMITED (ABN 18 000 866 535)**

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

*"That, the Company be authorised to enter into a new management agreement with Perpetual Investment Management Limited (ABN 18 000 866 535) (the **Manager**) on the terms summarised in the Explanatory Notes and Schedule and including any amendments that may be required by the ASX."*

##### **Voting Exclusion statement for Resolution 5:**

In accordance with Listing Rule 14.11 and ASX Guidance Note 26, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of the Manager and its associates (as that term is defined in the ASX Listing Rules) (**Associates**).

However, the Company will not disregard any votes cast on Resolution 5:

- by a person as proxy or attorney for a Shareholder entitled to vote on Resolution 5, in accordance with directions given to the proxy or attorney to vote on Resolution 5 in that way; or

- by the Chairman of the AGM as proxy or attorney for a Shareholder entitled to vote on Resolution 5, in accordance with a direction given to the Chairman to vote on Resolution 5 as the Chairman decides; or
- a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 5; and
  - the Shareholder votes on the resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

#### **OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Company's constitution and the Corporations Act.

#### **Voting**

The Chairman will put Resolutions 1 to 5 to a poll at the AGM. Voting results on the resolutions that are put to the AGM (including the relevant proxy votes) will be announced to the Australian Securities Exchange (**ASX**) immediately after the AGM.

#### **Proxies**

A Shareholder who is entitled to attend and cast a vote at the AGM may appoint a proxy to attend and vote at the AGM on behalf of that Shareholder. A proxy may be an individual or body corporate and is not required to be a shareholder of the Company.

On a poll, each proxy has one vote for each share carrying the right to vote. A Shareholder may appoint a maximum of two proxies and may specify the proportion or number of votes that each proxy may exercise on a poll.

If a Shareholder appoints two proxies and does not specify the proportion or number of votes that each proxy may exercise, each proxy appointed may exercise half of the Shareholder's votes.

A Shareholder who is entitled to vote on a resolution may direct their proxy on how to vote on the resolution by following the instructions on the proxy form.

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 in a particular way.

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 may abstain from voting.

Please note that if the Chairman of the AGM is a Shareholder's proxy and the Shareholder does not direct the Chairman how to vote on Resolution 3 (Adoption of Remuneration Report), then by completing and submitting the proxy form the Shareholder will be expressly authorising the Chairman to exercise their proxy on Resolution 3 even though it is connected with the remuneration of the Company's KMP. The Chairman of the AGM intends to vote all available proxies in favour of all resolutions.

If a Shareholder does direct the Chairman how to vote on a resolution, the Chairman must vote on a poll in accordance with that direction.

If you wish to appoint a proxy, you must complete the proxy form sent to you. Completed proxy forms may be lodged with the share registry by:

- post to Perpetual Equity Investment Company Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW, 1235
- facsimile to +61 2 9287 0309
- lodging the proxy appointment online through the Company's share registry website at <https://investorcentre.linkgroup.com>

or to the Company's registered office by:

- post to Angel Place, Level 18, 123 Pitt Street, Sydney NSW 2000
- facsimile to +61 2 8256 1427

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.

Duly completed proxy forms (and any necessary supporting documents) must be received by the Company as specified above, by no later than **10:00am (Sydney time) on Tuesday, 5 November 2024**. Proxy forms received after this time will not be effective.

## Corporate representatives

A body corporate that is a Shareholder, or that has been appointed as a proxy of a Shareholder, may appoint an individual to act as its representative at the AGM. The appointment must comply with the requirements of section 250D of the Corporations Act.

Evidence of the body corporate's representative's appointment, including the authority under which the appointment is signed, should be provided to the Company in advance of the AGM or brought to the Venue, unless that evidence has previously been given to the Company.

## Determination of entitlement to vote at the AGM

The Company has determined that for the purpose of ascertaining entitlements to vote at the AGM, the shares in the Company on issue as at **7.00pm (Sydney time) on Tuesday, 5 November 2024 (Entitlement Time)** will be taken to be held by the persons who hold them as registered holders at that time.

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to vote at the AGM.

## Explanatory notes are part of this notice

Please refer to the Explanatory Notes attached to this Notice for further details in relation to the items of business set out in this Notice.

By order of the Board.



**Sylvie Dimarco**  
Company Secretary

**8 October 2024**



## EXPLANATORY NOTES

These explanatory notes are intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice.

### Financial and statutory reports

The Financial Report, the Directors' Report and the Auditor's Report will be laid before the AGM, as required by section 317 of the Corporations Act.

The Corporations Act does not require a vote of Shareholders on these reports.

Shareholders should consider these reports and raise any matters of interest with the directors of the Company when this item is being considered.

The Annual Report (which includes the Directors' Report, Auditor's Report and Financial Report) is available on the Company's website at <https://www.perpetualequity.com.au/shareholders/financial-results/>.

During this item of business, Shareholders as a whole at the AGM will be given a reasonable opportunity to ask questions about, and make comments on, those reports and the business and management of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Auditor, KPMG, questions relevant to the conduct of the audit, the preparation and the content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of financial statements and/or the independence of the Auditor in relation to the conduct of the audit.

A representative of the Auditor will also be given a reasonable opportunity to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

### RESOLUTION 1:

#### RE-ELECTION OF MS AMANDA APTEDE (ALSO KNOWN AS MS AMANDA GILLESPIE) AS AN EXECUTIVE DIRECTOR OF THE COMPANY



**Amanda Apted (Gillespie)**  
BEco/Econ (Hons), GAICD

Ms Amanda Apted was first appointed Director of the Company on 13 May 2021.

Ms Apted is the Chief Executive of Perpetual Asset Management Australia. She is responsible for leading the Australian division of Perpetual Asset Management, which includes the Australian Equities, Credit & Fixed Income, and Multi Asset investment management teams. Ms Apted is also an Executive Director of Perpetual Investment Management Limited, Pandal Fund Services Limited and Pandal Institutional Limited. Ms Apted joined Perpetual in February 2018 and has held the prior roles of General Manager Client Solutions & Strategy and more recently, General Manager Perpetual Investments.

Ms Apted has more than 21 years of experience in asset management and investment research. Prior to joining Perpetual, Ms Apted was Chief Executive Officer of Lonsec where she played a key role in leading and building out Lonsec's investment and superannuation research and consulting capabilities.

Resolution 1 seeks approval for the re-election of Ms Apted as an executive director of the Company with effect from the conclusion of the AGM.

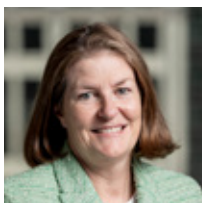
Pursuant to clause 15.6 of the Company's constitution, Ms Apted retires by way of rotation from the office of director of the Company and, being eligible, seeks re-election for one elected term of three years as an Executive Director of the Company.

If Resolution 1 is passed, Ms Apted will be re-elected and will continue to act as an executive director of the Company. If Resolution 1 is not passed, Ms Apted will not be re-elected and will cease to act as an executive director of the Company.

**Board recommendation:**

The Board has reviewed the performance of Ms Apted and believes that Ms Apted continues to provide a valuable contribution to the Board, including her extensive knowledge of asset management and investment research.

The Board (with Ms Apted abstaining) strongly supports the re-election of Ms Apted, and unanimously recommend that Shareholders vote in favour of Resolution 1.

**RESOLUTION 2:  
ELECTION OF MS VIRGINIA MALLEY AS AN  
INDEPENDENT NON-EXECUTIVE DIRECTOR OF  
THE COMPANY****Virginia Malley**

BA, MAppFin, Juris Doctor,  
GradDipEnvLaw, LLM, FAICD

Ms Virginia Malley was first appointed Director of the Company on 25 August 2014. Ms Malley is the Chair of the Company's Audit and Risk Committee and a member of the Company's Nomination and Corporate Governance Committee.

Ms Malley has over 30 years of experience in financial services and environmental markets, corporate governance, risk management and regulatory compliance. Ms Malley has previously served on the boards of the Clean Energy Regulator, the Biodiversity Conservation Trust, Morphic Ethical Equities Fund Ltd, Macquarie Investment Management Ltd, Perpetual Superannuation Limited and the Nature Conservation Trust of NSW. In her executive career, Ms Malley was the Chief Risk Officer at Macquarie Funds Management Group, overseeing risk management of portfolios worth more than \$85 billion and invested in clean technologies, publicly traded debt securities, listed equities, derivatives, currencies and private equity.

Ms Malley is also a Director of iCare and Macquarie Investment Management Australia Limited.

Resolution 2 seeks approval for the re-election of Ms Malley as an independent non-executive director of the Company with effect from the conclusion of the AGM.

Clause 15.5 of the Company's constitution and Listing Rule 14.4 provides that a director of the Company must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. Further, in order to revitalise the Board, a Board policy provides that directors of the Company should not seek re-election after three elected terms of three years unless the Board (through the Nomination and Corporate Governance Committee) invites them to do so. The Board may invite a director of the Company to seek re-election beyond three elected terms of three years if this would be advantageous for reasons such as Board leadership or continuity.

It is noted that Ms Malley has already held office for three elected terms of three years. However, given Ms Malley's role in the negotiation of the new management agreement with Perpetual Investment Management Limited (refer to Resolution 5) and the need to provide a fulsome transfer of her responsibilities to her successor, the Board considers that it would be advantageous for the Company for Ms Malley to remain in office. Accordingly, the Board has invited Ms Malley to seek re-election and Ms Malley has agreed to seek re-election.

The Board considers that Ms Malley, if re-elected, will continue to be classified as an independent non-executive director of the Company.

If Resolution 2 is passed, Ms Malley will be re-elected for a 1 year term and will continue to act as an independent non-executive director of the Company. If Resolution 2 is not passed, Ms Malley will not be re-elected and will cease to act as an independent non-executive director of the Company.

**Board recommendation:**

The Board has reviewed the performance of Ms Malley and believes that Ms Malley continues to provide a valuable contribution to the Board, including her extensive knowledge of financial and environmental markets and governance, risk management and regulatory compliance.

The Board (with Ms Malley abstaining) strongly supports the re-election of Ms Malley, and unanimously recommend that Shareholders vote in favour of Resolution 2.

### **RESOLUTION 3:**

#### **NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT**

The Remuneration Report contains details of the remuneration paid by the Company to its directors, who are the Company's key management personnel. The Company currently has no paid employees.

Non-executive directors of the Company do not receive performance-related remuneration and are not entitled to participate in equity-based incentive plans. The Executive Director, Ms Amanda Apted, is not entitled to directors' fees or any other form of remuneration from the Company for her services. Accordingly, the Remuneration Report is simple and brief.

The Remuneration Report is set out in the Annual Report, which is available at <https://www.perpetualequity.com.au/shareholders/financial-results/>.

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report be adopted.

In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 3 will be advisory only and does not bind the Company or its Directors. Notwithstanding the 'advisory' status of the vote, the Board will take the outcome of the vote into account when considering future relevant remuneration arrangements.

Shareholders will be given a reasonable opportunity at the AGM to ask questions about, and make comments on, the Remuneration Report.

The voting exclusion statement for Resolution 3 is set out earlier in this Notice.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution 3.

#### **Board recommendation:**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

### **RESOLUTION 4:**

#### **RENEWAL OF THE PROPORTIONAL TAKEOVER PROVISIONS IN THE COMPANY'S CONSTITUTION**

Clause 28 of the Company's constitution contains provisions relating to proportional takeovers (**Proportional Takeover Provisions**). The provisions are designed to assist Shareholders to receive proper value for their shares in the Company if a proportional takeover bid is made for the Company.

Resolution 4 is a special resolution. For a special resolution to pass, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 4 must be in favour of Resolution 4.

In essence, if Resolution 4 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, Proportional Takeovers Provisions only apply for a three-year period after they are approved by Shareholders. Once the three-year period elapses, the provisions cease to have effect unless shareholder approval is renewed.

The Proportional Takeovers Provisions were adopted at the same time as the Company's constitution was adopted in 2014 and were last renewed at the 2021 AGM. Shareholder approval is now sought for the renewal of the Proportional Takeover Provisions in the Company's constitution up until 7 November 2027.

More details about the renewal of the Proportional Takeover Provisions are set out below (as required by the Corporations Act).

#### **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 a 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 in the Company to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control, whilst potentially leaving Shareholders with a minority interest.

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

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

The directors of the Company consider that Shareholders should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without Shareholders being given the opportunity to dispose of all of their shares in the Company 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 seek to ensure that Shareholders vote on a resolution to approve the bid at least 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, with the exception of the bidder and its associates, who are not allowed to vote.

However, if no resolution is voted on before the end of the 14th day before the close of the offer, the resolution will be deemed to have been passed.

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 listed companies and are regularly renewed.

### **Potential advantages and disadvantages**

While the re-insertion 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 provide Shareholders with 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. The provisions may also help Shareholders avoid being locked in as a minority.

However, it is also possible that the inclusion of such provisions in the Company's constitution may discourage proportional takeover bids and 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. Further, the likelihood of success of a proportional takeover bid may be diminished.

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

At the date this Notice was prepared, no director of the Company is aware of a proposal by a person to acquire, or to increase, a substantial interest in the Company.

### **Board recommendation:**

If this Resolution 4 is approved, the renewed Proportional Takeover Provisions will take effect from the date of the AGM.

The Board unanimously recommend that Shareholders vote in favour of Resolution 4.



**RESOLUTION 5:**  
**NEW MANAGEMENT AGREEMENT WITH**  
**PERPETUAL INVESTMENT MANAGEMENT LIMITED**  
**(ABN 18 000 866 535)**

**SUMMARY**

Perpetual Investment Management Limited (ABN 18 000 866 535) (**Manager**) has been the manager of the Company since its inception pursuant to a management agreement dated 7 October 2014 (**Existing Management Agreement/EMA**).

The Existing Management Agreement will come to an end on 11 December 2024. Having regard to this, the Company and the Manager propose to enter into a new management agreement (**New Management Agreement/NMA**) which, if given effect, will govern the terms on which the Manager will continue to provide investment management and corporate management services to the Company.

Since the establishment of the Company, the Company's officers have been limited to the directors and the company secretary. The Company has no employees. All investment management and corporate management services have been supplied by the Manager.

The New Management Agreement provides for this arrangement to continue. The Board considers that the arrangement continues to be appropriate for the Company.

Shareholder approval is being sought for the New Management Agreement under Resolution 5 in accordance with ASX's expectations as outlined in ASX Guidance Note 26. If Resolution 5 is passed, the Company and the Manager will enter into the New Management Agreement with the term of the New Management Agreement to commence on and from 12 December 2024.

A summary of the material terms of the New Management Agreement is set out in the Schedule to these Explanatory Notes. The table below summarises important points of comparison between the New Management Agreement and the Existing Management Agreement.

## Comparison table

	Existing Management Agreement	New Management Agreement
<b>Term</b>	<p>Initial five year term and automatic extension for a second 5 five year term unless terminated by either party in accordance with the EMA.</p> <p>After the expiration of the initial term, the Company may remove the Manager and terminate the EMA on delivery of 3 months' prior written notice.</p>	<p>Initial five year term and automatic extension for subsequent rolling five year terms unless terminated by either party in accordance with the NMA.</p> <p>After the expiration of the initial term, the Company may remove the Manager and terminate the NMA on delivery of 6 months' prior written notice.</p>
<b>Termination rights</b>	<p><b>Termination by Manager</b></p> <p>The Manager may terminate the EMA at any time after the first anniversary of the Commencement Date, by giving to the Company at least 3 months' written notice.</p> <p><b>Termination by the Company – shareholder resolution</b></p> <p>After the initial five year term, the EMA will automatically terminate 3 months after an ordinary resolution of the Company is passed to end the EMA.</p> <p><b>Termination by the Company – generally</b></p> <p>The Company may terminate the EMA after the expiration of the initial five-year term, by giving 3 months' prior written notice.</p> <p><b>Termination by the Company – for cause</b></p> <p>The Company may terminate the EMA with immediate effect by written notice if:</p> <ul style="list-style-type: none"> <li>(a) an insolvency event occurs with respect to the Manager;</li> <li>(b) the Manager is in default or breach of its obligations under the EMA in a material respect and such default or breach cannot be rectified;</li> <li>(c) the Manager is in default or breach of its obligations under the EMA in a material respect and fails to remedy that default or breach within 30 days after receiving notice of that default or breach;</li> <li>(d) the Manager ceases to carry on business in relation to its activities as an investment manager;</li> </ul>	<p><b>Termination by Manager</b></p> <p>The Manager may terminate the NMA at any time after the first anniversary of the Commencement Date, by giving to the Company at least 6 months' written notice.</p> <p><b>Termination by the Company – shareholder resolution</b></p> <p>After the initial five year term, the NMA will automatically terminate 3 months after an ordinary resolution of the Company is passed to end the NMA.</p> <p><b>Termination by the Company – generally</b></p> <p>The Company may terminate the NMA after the expiration of the initial five-year term, by giving 6 months' prior written notice.</p> <p><b>Termination by the Company – for cause</b></p> <p>The Company may terminate the NMA with immediate effect by written notice if:</p> <ul style="list-style-type: none"> <li>(a) an insolvency event occurs with respect to the Manager;</li> <li>(b) the Manager is in default or breach of its obligations under the NMA in a material respect and such default or breach cannot be rectified;</li> <li>(c) the Manager is in default or breach of its obligations under the NMA in a material respect and fails to remedy that default or breach within 30 days after receiving notice of that default or breach;</li> <li>(d) the Manager ceases to carry on business in relation to its activities as an investment manager;</li> </ul>

**Termination rights**  
(continued)

- (e) after the Commencement Date, the Manager persistently fails to ensure that Investments made on behalf of the Company are consistent with the Investment Strategy applicable at the time the Investment is made; or
- (f) the Licence under which the Manager performs its obligations under the EMA is suspended for at least 1 month or cancelled and the Manager fails to obtain an authorisation enabling it to perform its obligations under this Agreement from a third party AFS licensee.

**Force majeure – either party**

If a force majeure event affecting a party persists for more than six months, the party may terminate the EMA by giving 30 days' notice of its intention to do so.

**Management fees**

- 1.00% p.a. + GST of the first \$1 billion of the Portfolio Net Asset Value; and
- 0.85% p.a. + GST of the Portfolio Net Asset Value in excess of \$1 billion.

"Portfolio Net Asset Value" is the market value of the assets of the Portfolio reduced by any accrued but unpaid expenses of the Company, but not provisions for tax payable or unpaid dividends of the Company, and after subtracting any borrowings drawn down and adding back any borrowings repaid.

The management fee is accrued daily and is calculated and paid on the last day of each Month in arrears.

- (e) the Manager persistently fails to ensure that Investments made on behalf of the Company are consistent with the Investment Strategy; or
- (f) the Licence under which the Manager performs its obligations under the NMA is suspended for at least 1 month or cancelled and the Manager fails to obtain an authorisation enabling it to perform its obligations under this Agreement from a third party licensee; or
- (g) the Portfolio Manager (i.e., the person or persons making investment decisions for the Portfolio) departs the Manager, the Manager has been unable or unwilling to replace the Portfolio Manager with a person identified in the Succession Plan (see relevant item below) or an externally sourced replacement within 3 months of the Portfolio Manager's departure and the Manager has notified the Company of this circumstance within 5 business days after the end of the 3 month period.

**Force majeure – either party**

If a force majeure event affecting a party persists for more than six months, the party may terminate the NMA by giving 30 days' notice of its intention to do so.

- 1.00% p.a. + GST of the first \$700 million of the Portfolio Net Asset Value;
- 0.85% p.a. + GST of the Portfolio Net Asset Value in excess of \$700 million and less than or equal to \$1 billion; and
- 0.75% p.a. + GST of the Portfolio Net Asset Value in excess of \$1 billion.

"Portfolio Net Asset Value" is the market value of the assets of the Portfolio reduced by any accrued but unpaid expenses of the Company, but not provisions for tax payable or unpaid dividends of the Company, and after subtracting any borrowings drawn down and adding back any borrowings repaid.

The management fee is accrued and calculated daily and paid monthly in arrears.

**Management fees**

(continued)

If at any time during the initial term, some or all of the corporate management services are provided directly by employees of the Company or by another service provider engaged by the Company, the Company and Manager agree to review the fees payable in good faith, but are not legally bound to reach an agreement to vary the fees.

**Termination fees**

If the EMA is terminated, otherwise than for cause or force majeure, the Manager will be entitled to a termination payment at the termination date equal to 5%, reduced by one sixtieth (1/60) for each whole calendar month that has elapsed between the commencement of the extended term (i.e., the second five-year term) and the termination date, of the Net Tangible Asset backing of a share in each class of shares in the Company multiplied by the number of shares on issue in that class of shares as at the termination date.

If the NMA is terminated during the second five-year term (i.e., the first extension after expiry of the initial five-year term), other than by the Manager, for cause or due to force majeure, the Manager will be entitled to a termination payment at the termination date equal to the total fees paid to the Manager during the 18 months immediately preceding the date on which notice of termination is given or the Company passes a resolution to terminate the NMA (as applicable).

**Fiduciary / best interests obligations**

The Manager is subject to a fiduciary obligation to the Company in the performance of its functions and the observance of its duties under the Existing Management Agreement.

When providing the corporate management services, the Manager will use reasonable endeavours to act in the best interests of the Company.

**Corporate management services**

The Manager must provide, or procure the provision of, the following services to the Company:

- maintenance of the corporate, tax and statutory records of the Company;
- compliance with the Company's obligations under the Applicable Regulations;
- liaison with the share registrar of the Company;
- assistance arranging the Company's annual general meetings;
- preparation of the Company's monthly reports in respect of its Net Tangible Assets and arranging for the lodgement of such reports in a timely manner to enable the Company to comply with the reporting requirement in Listing Rule 4.12;

The Manager must provide, or procure the provision of, the following services to the Company in addition to the corporate management services set out in the Existing Management Agreement:

- company secretarial services, including:
  - procuring a company secretary for the Company;
  - managing and preparing minutes and action items of Board (including committees of the Board) and shareholder meetings;
  - managing and preparing minutes of the Company's annual strategy day (if applicable);
  - managing the Company's compliance with the Listing Rules and ASX governance principles;



**Corporate management services**

(continued)

- preparation of the Company's reports in respect of its Net Tangible Assets which are agreed between the Manager and the Company to be made on a more regular basis than provided above, and arranging for the lodgement of such reports in a timely manner;
  - preparation of the Company's half-year reports and annual reports, and arranging for the printing and distribution of such reports;
  - the provision of information necessary for the maintenance of financial accounts of the Company to be completed;
  - provision of marketing and communication support services;
  - company secretarial services;
  - risk management support, including the review of insurance arrangements and risk appetite;
  - investor relations and distribution support; and
  - monitoring and review of the registry service provider and custodian.
- managing corporate actions, officeholder appointments and resignations and share transfers;
  - updating and maintaining minute books and registers required to be kept by Applicable Regulations; and
  - arranging Board performance reviews and providing corporate governance advice and assistance, including by preparing the Company's charters, policies and corporate governance statement for consideration and approval by the Board;
  - selection, monitoring and review of outsourced service providers, including the registry service provider and Custodian, involving conducting selection and due diligence, engaging outsourced service providers, monitoring outsourced service providers' compliance with service level agreements and ensuring compliance and risk reporting;
  - preparing and providing the reports required under the NMA;
  - managing the Company's relationship with ASX and preparing and lodging ASX announcements for the Company;
  - advising the Company in relation to its dividend policy;
  - managing the Company's engagement with its auditor;
  - managing the Company's expenses and arranging for the payment of invoices by the Company;
  - managing the Portfolio's tax position, franking credit balance and preparing and lodging the Company's tax filings with the Australian Taxation Office;
  - assisting, planning and preparing meetings of the Company's shareholders, including preparing and sending to shareholders the required notices of such meetings;
  - marketing and communications support, including promoting the Company to existing and prospective shareholders and advisers, maintaining the Company's website and media channels and taking action to uphold the good reputation of the Company;

**Corporate management services** (continued)

- managing legal services required by the Company from time to time; and
- risk management support, including:
  - preparing, advising on and reporting on the Company's risk register, risk appetite and insurance arrangements;
  - monitoring and reporting to the Company in relation to incidents, issues and breaches; and
- conducting Portfolio liquidity and stress testing.

The Manager must maintain adequate systems, records, policies and procedures to enable it to provide the corporate management services.

The Company and Manager may, by agreement, vary the corporate management services to be provided by the Manager, either generally or for a particular instance.

The Manager may not outsource the provision of corporate management services to any person, other than a related body corporate of the Manager, without the prior written approval of the Company, which must not be unreasonably withheld. However, the Manager does not require the prior written approval of the Company to procure services, and the Company is responsible for the payment of fees and charges properly incurred, where the services to be obtained are routine or administrative in nature.

**Alternate sourcing of corporate management services**

No provision.

If, at any time during the Initial Term, some or all of the corporate management services are provided directly by employees of the Company or by another person engaged by the Company to provide those services, the Company and Manager agree to review the fees payable under this agreement in good faith to account for the fact that those services are not being provided by the Manager, taking into account all relevant matters including:

- the value of those services to the Company;
- the cost that the Manager would have incurred in providing those services; and

**Alternate sourcing of corporate management services** (continued)

- the extent of the Manager's ongoing involvement in the provision of those services.

The parties acknowledge that the Company and the Manager are not legally bound under this clause to reach an agreement to vary the fees payable by the Company.

**Provision of information and notifications to the Company (including change of control of the Manager)**

The Manager must keep the Company informed in respect of the management of the Portfolio. This includes providing the following:

- as reasonably required by the Company, details of Investments comprising the Portfolio;
- the calculation of the Net Tangible Assets in a timely manner;
- other valuations and reports as may be reasonably required by the Company from time to time;
- sufficient information to enable the Company to observe and perform its covenants and its duties and obligations under the Company's constitution;
- any information reasonably required by the Company for board meetings, reporting to the Company's shareholders (including addressing any queries or complaints made by the Company's shareholders), the Company's annual general meeting or any other purpose relevant to the Company or the Portfolio; and
- sufficient information to enable the Company to comply with the Applicable Regulations (if necessary).

Provision of information as required under the EMA (per the adjacent column).

In addition, the Manager must notify the Company as soon as practicable, and no later than 5 business days after becoming aware of the occurrence of any of the following events:

- any change in control of the Manager;
- a breach of applicable regulations that requires notification to a regulator or the ASX;
- subject to applicable laws, an incident that, in the reasonable opinion of the Manager, has resulted in, or is reasonably likely to result in, a significant or systemic impact on the Company; or
- any material breach of the New Management Agreement by the Manager.

**Succession Plan and Portfolio Manager departure**

No provision.

The Manager must:

- notify the Company of the person or persons who has the authority to make decisions to acquire or dispose of investments for the Portfolio ("**Portfolio Manager**") from time to time;
- notify the Company as soon as practicable, and in any case within 5 business days, if the Portfolio Manager ceases to perform that role; and
- prepare and maintain a plan for the succession of the Portfolio Manager ("**Succession Plan**").

## Existing Management Agreement

## New Management Agreement

**Succession Plan and Portfolio Manager departure**  
(continued)

If the Portfolio Manager departs and is not replaced within 3 months by either a person specified in the Succession Plan or sourced externally, the Manager must notify the Company within 5 business days and the Company may terminate the NMA.

**Environmental, social and governance (“ESG”)**

No provision.

If the Manager considers that ESG considerations give rise to risks or opportunities that may impact the current or future financial performance of an Investment, the Manager must have regard to those ESG considerations when deciding whether to acquire, hold or dispose of the Investment.

**Portfolio non-compliance with the Investment Strategy or Company’s directions**

No provision.

If the Portfolio ceases to comply with the Investment Strategy or any directions or instructions from the Company for any reason within the reasonable control of the Manager, the Manager must as soon as practicable and no later than 5 business days after the occurrence of the event notify the Company and must use its reasonable endeavours to remedy the non-compliance within a reasonable period of time, or any longer period the Company allows in writing.

**Name and branding**

No provision.

The Company and the Manager must consult and agree, in good faith acting reasonably, any change in the Company’s name having regard to:

- (a) the brand or name, or derivative of the brand or business name with which the Manager or the Portfolio Manager is most closely associated in providing the investment management services to the Company; and
- (b) whether the Company is permitted to use any of these names.

Subject to the above, the Manager must use its best endeavours to assist the Company seeking to use a brand or name, or derivative of the brand or business name with which the Manager or the Portfolio Manager is most closely associated in providing the investment management services to the Company.

If the NMA is terminated or expires without renewal, or there is a change in the business or marketing name used by the Manager, the Company must:



**Name and branding**

(continued)

- (a) promptly call a meeting of the Company's members for the purpose of passing a special resolution to change the Company's name to remove any reference to the business or marketing name used by the Manager at the time of termination or expiration of the NMA or the Manager changing its business or marketing name, and use reasonable efforts to encourage members to vote in favour of the resolution; and
- (b) take any other action required to change the Company's name as contemplated in paragraph (a).

**Conflicts management and related party protocols**

If the Manager proposes that the Company acquire assets from or dispose of assets to a related party of the Manager, the Company must approve the acquisition or disposal of the asset to the extent required by the applicable regulations.

The Manager must have reasonable arrangements for the management of conflicts of interest and conflicts of duty that arise in relation to the services provided under the NMA, including for the Company to approve the acquisition of assets from or disposal of assets to a related party of the Manager, to the extent required by applicable regulations.

**Arbitration**

If a dispute notified by one party to the other is not settled within 7 days, either party may submit the dispute for arbitration.

If a dispute notified by one party to the other is not settled within 20 business days, either party may submit the dispute for arbitration.

**Conflicts disclosure**

As at the date of this Notice, the Chairman is a Director of Perpetual Limited (ASX:PPT) which is the parent company or related body corporate of the Manager. Given the Chairman's relationship with the Manager, the Chairman has abstained from participating in the decision to recommend Resolution 5. Note that by the date of the AGM, the Chairman would have retired as a Director of Perpetual Limited.

Amanda Apted (Gillespie) is the Executive Director of the Company and is also a director of the Manager. Accordingly, Ms Apted has abstained from participating in the decision to recommend Resolution 5.

**Consequence if resolution 5 is not approved**

The management and operation of the Company is fundamentally based on the investment management and corporate management services provided by the Manager. If Resolution 5 is not approved by Shareholders:

- the Existing Management Agreement will continue on the current terms until expiry on 11 December 2024; and
- the Board would urgently need to consider the alternatives, which are commercially feasible and available, for the continued management of the Company's investment portfolio and for the provision of corporate management services provided by the Manager under the Existing Management Agreement.

**Board recommendation:**

The Board (the Chairman and Ms Amanda Apted abstaining) unanimously recommend that Shareholders vote in favour of Resolution 5.

## SCHEDULE: Summary of the material terms of the New Management Agreement

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This schedule of material terms should be read in conjunction with the comparison table which summarises important points of comparison between the Existing Management Agreement and New Management Agreement and also includes material terms.

In this Schedule of the Explanatory Notes:

“**Applicable Regulations**” means any statute, regulation, by-law, ordinance or other determination of any Government Agency with the force of law in any jurisdiction in which:

- (a) the Company holds any Investments;
- (b) the Manager acquires Investments on behalf of the Company; or
- (c) the Manager provides services for the benefit of the Company under the NMA;

including the Corporations Act and ASX Listing Rules as they apply to the Company for the purposes of the NMA.

“**Investment**” means an investment forming part of or comprised in the Portfolio permitted by the NMA.

“**Investment Strategy**” means the investment objectives, strategy and guidelines set out in Schedule 4 to the NMA (summarised in the table below).

“**NMA**” means New Management Agreement.

“**Portfolio**” means all monies, investments, additions or borrowings which may from time to time be paid to or received by the Company or the Manager on behalf of the Company (whether or not pending investment) and any investments for the time being representing them, any income derived from them and any capital accretions to them regardless of how they arise.

### Item

### Summary

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#### 1. Comparison table

The items set down in the comparison table under the “New Management Agreement” column should be read as covering the material terms of the New Management Agreement in addition to the provisions mentioned in this table.

Those items in the comparison table cover:

- Term;
  - Termination rights;
  - Management fees;
  - Termination fees;
  - Fiduciary/best interests obligations;
  - Corporate management services;
  - Alternate sourcing of corporate management services;
  - Provision of information and notifications to the Company;
  - Succession Plan and Portfolio Manager departure;
  - Environmental, social and governance (ESG);
  - Portfolio non-compliance with the Investment Strategy or Company directions;
  - Name and branding;
  - Conflicts management and related party protocols; and
  - Arbitration.
-

Item	Summary
<b>2. Investment Management Services</b>	<p data-bbox="502 215 949 246"><b>Investment management services</b></p> <p data-bbox="502 257 1484 358">The Manager will, subject to and in accordance with Applicable Regulations, manage the Portfolio, and manage and supervise all Investments in accordance with the terms of the NMA.</p> <p data-bbox="502 369 750 403">The Manager must:</p> <ul data-bbox="502 414 1484 1288" style="list-style-type: none"> <li data-bbox="502 414 1484 548">(a) with the consent of the Company, or under force of law or if requested by a regulatory authority, give any information and assistance and make available any records relating to the Portfolio reasonably required by the auditors of the Company under the Applicable Regulations or any regulatory authority;</li> <li data-bbox="502 560 1484 627">(b) exercise all due diligence and vigilance in carrying out its functions, power and duties under the NMA;</li> <li data-bbox="502 638 1484 772">(c) comply with the Manager’s policy regarding the receipt by the Manager or by an associate of the Manager of benefits in relation to the investment or management of the Portfolio and provide a copy of such policy to the Company upon written request by the Company ;</li> <li data-bbox="502 784 1484 952">(d) account to the Company for any monetary benefits, fees, rebates or commissions received by the Manager or any associate of the Manager in relation to the investment of the Portfolio, other than benefits permitted to be received in accordance with the policy disclosed under paragraph (c) and fees and commissions payable under the NMA;</li> <li data-bbox="502 963 1484 1064">(e) exercise due care in selecting, appointing and reviewing the performance of any agent of the Manager in connection with the Portfolio or any broker or dealer engaged by the Manager under the NMA;</li> <li data-bbox="502 1075 1484 1176">(f) keep or cause to be kept by the Custodian proper books of account and records in relation to the Portfolio recording transactions by the Manager; and</li> <li data-bbox="502 1187 1484 1288">(g) provide access to any books of account and records relating to the Portfolio at the reasonable request of the Company to the Company or any person duly authorised by the Company.</li> </ul>
<b>3. Powers and discretions of Manager</b>	<p data-bbox="502 1321 1484 1489">Subject to the Applicable Regulations, the Manager must from time to time and on behalf of the Company invest money constituted in or available to the Portfolio, including money received as a consequence of disposal of Investments or any dividend or other distribution received, in all or any making, holding, realising and disposing of Investments.</p> <p data-bbox="502 1500 1484 1568">Investments made by the Manager must be consistent with the Investment Strategy.</p> <p data-bbox="502 1579 1484 1747">If the Manager considers that environmental, social or governance (“<b>ESG</b>”) considerations give rise to risks or opportunities that may impact the current or future financial performance of an Investment, the Manager must have regard to those ESG considerations when deciding whether to acquire, hold or dispose of the Investment.</p> <p data-bbox="502 1758 1484 1892">Subject to the above and to terms in the NMA regarding Company-approved or temporary deviations from the Investment Strategy, the Manager has the absolute discretion to manage the Portfolio and do all things considered necessary or desirable in relation to the Portfolio, including:</p> <ul data-bbox="502 1904 1484 2080" style="list-style-type: none"> <li data-bbox="502 1904 1484 2004">(a) the investigation of, negotiation for, acquisition of or disposal of, any Investment and any Proposed Investment and the provision of its services to the Company;</li> <li data-bbox="502 2016 1484 2080">(b) to sell, realise or deal with all or any of the Investments or to vary, convert, exchange or add other Investments in lieu of those Investments;</li> </ul>

**3. Powers and discretions of Manager** (continued)

- (c) if any of the Investments is redeemed or the capital paid on it is wholly or partly repaid by the issuer or another person, either convert that Investment into a new Investment or accept repayment of the capital paid or advanced on the Investment and any other monies payable on the redemption or repayment of the Investment and invest it in other Investments;
- (d) to retain or sell any security or other property received by the Company by way of bonus, in lieu of or in satisfaction (in whole or in part) of a dividend in respect of any Investments, or from the amalgamation or reconstruction of any company; and
- (e) to sell all or part of the rights to subscribe for new securities in an Investment and use all or part of the proceeds of such to invest in other Investments or to subscribe for securities pursuant to those rights.

**4. Investment Objective**

The investment objective of the Company is to provide investors with an income stream and long-term capital growth in excess of its benchmark over minimum 5 year investment periods.

**5. Investment Strategy**

The Company's investment strategy is to create a concentrated and actively managed portfolio of Australian securities with typically a mid-cap focus and global listed securities.

The key investment guidelines for the Manager's implementation of the Company's investment strategy are:

- (a) 50-100% of the Portfolio's net asset value in Australian listed securities. Typically, these securities will have a mid-cap bias;
- (b) 0-35% of the Portfolio's net asset value in global listed securities;
- (c) 0-25% of the Portfolio's net asset value in cash, deposit products and senior debt with less than one year to maturity (including any exposure to such investments gained by investing in managed funds).

Excluding cash, deposits and senior debt, the Portfolio may hold 0-10% of the Portfolio's net asset value in unlisted securities, provided the securities are proposed to be listed on an Australian exchange or securities exchange located outside Australia within 12 months.

Currency exposures may be hedged defensively, but no attempt is made to add value to the Portfolio by actively managing currency.

Derivatives may be used as part of the Company's investment strategy to adjust currency exposures (where applicable), hedge selected investments, gain short term exposure to the market and build positions in selected investments. Derivatives will not be used for gearing purposes. The Manager is also not permitted to use short selling. Borrowing does not form part of the investment strategy of the Manager, however, the Company retains the right to leverage up to 10% of the Portfolio's net asset value at the Board's discretion.

The maximum individual security limit is 15% of the Portfolio's net asset value.

Short selling is not permitted.

Borrowing does not form part of the investment strategy of the Manager.

However, the Company may leverage up to 10% of the Portfolio's net asset value at the Board's discretion.

The Company may not own more than 10% of any entity in which it is invested.

**6. Performance benchmark**

S&P/ASX 300 Accumulation Index.

The NMA does not directly provide for any consequences for the Manager if the portfolio underperforms the benchmark. Even so, performance against the benchmark is a regular point of discussion between the Company and the Manager and persistent underperformance would be a significant point of review.

**7. Delegation****Investment management services**

Subject to and in accordance with the Applicable Regulations, the Manager may, with the prior approval of the Company (such approval not to be unreasonably withheld), appoint or employ by writing or otherwise any person to be sub-contractor for the Manager to manage the Portfolio and manage and supervise the Investments.

Without limiting the above, the Manager may:

- (a) appoint any person to be attorney or agent of the Manager for such purposes and with such powers, authorities and discretions (not exceeding those vested in the Manager) as the Manager thinks fit with power for the attorney or agent to sub-delegate any such powers, authorities or discretions and authorise the issue of documents in the name of the Manager;
- (b) appoint and engage any related body corporate of the Manager, which typically provides investment management services to the Manager, to provide services in relation to the investment and management of the Portfolio; and
- (c) appoint and engage any barrister, solicitor, stockbroker, stock market consultant, accountant, contractor, qualified adviser, registrar and such other person as may be necessary, usual or desirable in the opinion of the Manager for the purpose of exercising its powers and performing its obligations,

and the Company must ratify and confirm all transactions and appointments made by the Manager in accordance with this Agreement.

**Corporate management services**

The Manager may not procure any person, other than a related body corporate of the Manager, to provide corporate management services without the prior written approval of the Company, which must not be unreasonably withheld.

**8. Valuations**

The Manager must arrange for the calculation of the value of the Portfolio and the Net Tangible Assets at least monthly or at such more frequent times as may be agreed between the Manager and the Company. The Manager may request that the auditor of the Company checks any valuation or valuation methodology used to calculate the Value of the Portfolio or the Net Tangible Assets.

The Manager may appoint an Approved Valuer (i.e., any duly qualified persons independent both of the Company and the Manager recommended by the Manager and appointed and instructed in writing by the Manager to value an Investment for the purpose of the NMA) to calculate the value of the Portfolio. If either party requests that the value of securities or another non-cash Investment be determined by an Approved Valuer, the value of the Investment will be determined by the Approved Valuer.



**9. Expenses**

The Company is liable for and must pay out of the Portfolio (or if paid by the Manager, reimburse the Manager out of the Portfolio) the certain fees, costs and expenses when properly incurred in connection with the investment and management of the Portfolio, the acquisition, disposal or maintenance of any Investment or performance of the Manager's obligations under the NMA, including:

- (a) stamp duties, financial institutions duty, bank account debits tax and other taxes incurred by the Company or the Manager in connection with dealing in any Investment or proposed Investment or receiving income from any Investment;
- (b) costs of calling and holding general meetings of the Company;
- (c) fees payable to ASIC or any other regulatory body or the ASX;
- (d) all costs, legal fees, fees, disbursements and expenses, commissions and brokerage incurred by the Company or the Manager (or both) in connection with dealing in an Investment or proposed Investment;
- (e) independent legal advice obtained by the directors in accordance with the Company's corporate governance policy;
- (f) costs associated with corporate actions such as raising additional capital for the Company, undertaking divisions or returns or winding up the Company; and
- (g) business-as-usual operating costs of the Company, including accounting services, tax advice, audit, share registry maintenance and website and marketing.

If the Manager procures another person to provide corporate management services, the Company is responsible for the payment of fees and charges properly incurred where the services to be obtained are routine or administrative in nature.

**10. Exclusivity**

The Manager's services are non-exclusive. Provided that the Manager does not prejudice or otherwise derogate its responsibilities specified in the NMA, the Manager may from time to time perform similar investment and management services for other persons.

**11. Commencement Date**

12 December 2024

**12. Amendment**

The NMA may only be amended in writing executed by the Company and the Manager.

**13. Indemnities****Company**

The Company must indemnify the Manager against any losses or liabilities reasonably incurred by the Manager arising out of, or in connection with, and any costs, charges and expenses (including legal expenses on a solicitor/own client basis) incurred in connection with the Manager or any of its officers, employees or agents acting under the NMA or on account of any bona fide investment decision made by the Manager or its officers or agents, except insofar as any loss, liability, costs, charge or expense is caused by the negligence, default, fraud or dishonesty of the Manager or its officers or employees.

**Manager**

The Manager must indemnify the Company against any losses or liabilities reasonably incurred by the Company arising out of, or in connection with, and any costs, charges and expenses (including legal expenses on a solicitor/own client basis) incurred in connection with, any negligence, default, fraud or dishonesty of the Manager or its officers or certain agents acting under the control and supervision of the Manager.

**14. Manager's liability**

Subject to the Applicable Regulations and the other terms of NMA, the Manager will, in relation to all the powers, authorities and discretions vested in it, have absolute and uncontrolled discretion as to:

- (a) whether or not to exercise them; and
- (b) the manner or mode of, and time for, their exercise,

and in the absence of negligence, default, fraud or dishonesty, the Manager will not be in any way whatsoever responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise those powers, authorities and discretions.

Neither party will be liable to the other by reason of it not having realised any specific price or reserve in respect of any Investment or property disposed of or having acquired any proposed Investment at a particular price.

# PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

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## COMPANY

Perpetual Equity Investment Company Limited  
ACN 601 406 419

## REGISTERED OFFICE

Level 18, 123 Pitt Street  
Sydney NSW 2000

## WEBSITE

[www.perpetualequity.com.au](http://www.perpetualequity.com.au)

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