

# Notice of Annual General Meeting 2023

**On 19 October 2023 at 10am (Sydney time) held at the Swissôtel Sydney, Level 8, 68 Market Street, Sydney NSW 2000, in the Blaxland Ballroom.**

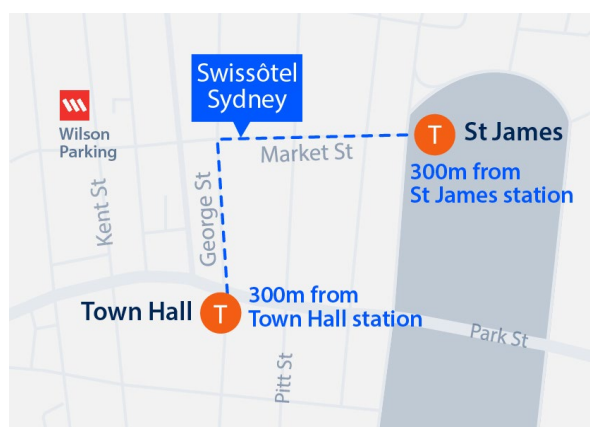
Shareholders may also participate online at <https://meetings.linkgroup.com/PPT23>

## Dear Shareholders

It is my pleasure to invite you to the 2023 annual general meeting (AGM) of Perpetual Limited (**Perpetual Group** or **Company**), which will be held at 10am (Sydney time) on Thursday, 19 October 2023. Shareholders can participate in the AGM either in person or online.

## Participating in Person

This year, the AGM will be held at an external venue. Accordingly, shareholders and proxyholders who wish to attend in person, can attend at the Blaxland Ballroom on Level 8 within the Swissôtel Sydney located at 68 Market Street, Sydney NSW 2000.



## Participating online

Shareholders are invited to participate in the AGM online at <https://meetings.linkgroup.com/PPT23>. If you participate online, you will be able to view the live webcast of the AGM, ask questions and make comments, and submit your vote in real time. Please refer to the enclosed Notice of Meeting and the Online Guide at <https://www.perpetual.com.au/shareholders/annual-general-meeting> for further details on how to view and participate in the meeting online.

## Appointing a proxy

You may appoint a proxy to vote on your behalf, either by accessing our share registry's website at <https://investorcentre.linkgroup.com> and following the prompts, or by following the instructions in the proxy form. Proxy appointments must be received by **10am (Sydney time) on Tuesday, 17 October 2023**.

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

## Submitting questions in advance of the AGM

We invite you to submit questions to the Company or auditor in advance of the meeting online at <https://investorcentre.linkgroup.com> or by using the shareholder question form that has been lodged on the ASX and posted on Perpetual's website at <https://www.perpetual.com.au/shareholders/annual-general-meeting>.



Questions submitted in advance of the AGM must be received by **no later than 5pm (Sydney time) on Thursday, 12 October 2023**.

During the AGM, shareholders will also be able to ask questions. For those shareholders planning to attend the AGM online, further information on how to ask a question 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 2023;
- the adoption of Perpetual's Remuneration Report for the financial year ended 30 June 2023;
- the re-appointment of Mr Tony D'Aloisio AM as a Non-executive Director;
- the re-appointment of Ms Fiona Trafford-Walker as a Non-executive Director;
- the re-appointment of Mr Christopher Jones as a Non-executive Director; and
- the approval of the FY23 variable incentive equity grants for the CEO and Managing Director.

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 <https://www.perpetual.com.au/shareholders/annual-general-meeting> together with Perpetual's 2023 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 <https://www.perpetual.com.au/shareholders/annual-general-meeting>

I look forward to welcoming you to the 2023 AGM.

**Tony D'Aloisio AM**  
Chairman  
15 September 2023

## Notice of Annual General Meeting

Perpetual Group's AGM will be held on Thursday, 19 October 2023, commencing at 10am (Sydney time).

Shareholders and Proxyholders can participate in the meeting by attending in person at Blaxland Ballroom, Swissôtel Sydney, Level 8, 68 Market Street, Sydney NSW 2000, or online at <https://meetings.linkgroup.com/PPT23>.

Online and in person registration will open at 9.30am (Sydney time) on the day. To register online, 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 Reference Number (SRN) or Holder Identification Number (HIN) 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 meeting. 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 Perpetual's website at <https://www.perpetual.com.au/shareholders/annual-general-meeting>

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.

### 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 2023. No resolution or vote is required on this item of business.

### RESOLUTION 1:

#### Adoption of the 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 2023.'

In accordance with section 250R of the *Corporations Act 2001* (Cth) (**Corporations Act**), the vote on resolution 1 will be advisory only and does not bind the directors or the Company.

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 2023 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 Company's 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
- by the Chairman of the AGM, in accordance with an express authorisation to exercise the proxy even though resolution 1 is connected with the remuneration of the Company's KMP.

## Notice of Annual General Meeting (continued)

**RESOLUTION 2:****Re-appointment of Mr Tony D'Aloisio AM**

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

'That Mr Tony D'Aloisio, 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 Ms Fiona Trafford-Walker**

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

'That Ms Fiona Trafford-Walker, 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 Mr Christopher Jones**

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

'That Mr Christopher Jones, 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 5(a) and 5(b):****Approval of the FY23 variable incentive equity grants to the CEO and Managing Director**

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

**a) Grant of Share Rights to the CEO and Managing Director under the KMP variable incentive plan**

'That approval is given for all purposes, including ASX Listing Rule 10.14, for the issue of share rights to Mr Rob Adams as part of his variable incentive equity grant for the performance period ending 30 June 2023 on the terms described in the Explanatory Memorandum accompanying this Notice of Meeting.'

**b) Grant of Performance Rights to the CEO and Managing Director under the KMP variable incentive plan**

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

## Notice of Annual General Meeting (continued)

**Voting exclusion for resolutions 5(a) and 5(b):**

The Company will disregard any votes on resolutions 5(a) and 5(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 Company's 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 the proxy 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.

By Order of the Board



**Sylvie Dimarco**  
Company Secretary  
15 September 2023

## 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, 17 October 2023 are entitled to vote at the meeting convened by this Notice of Meeting.

### VOTING BY POLL

The Chairman of the AGM 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 to attend and vote for the Shareholder at the AGM. 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 (Adoption of the Remuneration Report), and resolutions 5(a) and 5(b) (Approval of the FY23 variable incentive equity grants to the CEO and Managing Director) 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, 5(a) and 5(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 on 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, 17 October 2023**. The Proxy Form may be downloaded online at <https://www.perpetual.com.au/shareholders/annual-general-meeting>

Completed proxy forms may be lodged as follows:

- to the Company's share registrar by:
  - lodging the proxy appointment online at <https://investorcentre.linkgroup.com>  
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
  - post to Perpetual Limited  
C/- Link Market Services Limited,  
Locked Bag A14, Sydney South, NSW, 1235
- or to the Company's registered office by post to Perpetual Limited, Angel Place, Level 18, 123 Pitt Street, Sydney NSW 2000.

## Information for Shareholders (continued)

### BODY CORPORATE REPRESENTATIVE

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

Body corporate representatives should lodge this documentation with the Company's share registrar prior to the start of the meeting, unless it has been previously given to the Company or the Company's share registrar.

### 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 <https://www.perpetual.com.au/shareholders/annual-general-meeting> or submit the question online through the share registrar's website, in accordance with the instructions on the question form.

Questions must be received by the Company's share registrar by no later than **5pm (Sydney time) on Thursday, 12 October 2023**.

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 and the auditor is not obliged to provide written answers.

Shareholders will be given an opportunity to ask questions in real-time during the AGM, including 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.

The dial-in details for the telephone line are set out below:

Within Australia	1800 577 505
Outside Australia	+61 2 9189 2002

### PARTICIPATING ONLINE

Shareholders and proxyholders can watch, ask questions, make comments and vote in real time during the AGM through the online platform at <https://meetings.linkgroup.com/PPT23>.

To register, shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) 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 meeting. 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 <https://www.perpetual.com.au/shareholders/annual-general-meeting>.

In addition, the AGM, including the addresses of the Chairman and CEO and Managing Director, will be available for viewing by visitors via live webcast. Any slides will also be available on the Company's website at <https://www.perpetual.com.au/shareholders/annual-general-meeting>. For information about how to access the webcast of the AGM please go to <https://www.perpetual.com.au/shareholders/annual-general-meeting>

### TECHNICAL DIFFICULTIES

Technical difficulties may arise during the course of the AGM. The Chairman of the AGM has discretion as to whether and how the meeting should proceed if a technical difficulty arises. In exercising this 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 the Chairman of the AGM considers it appropriate, the Chairman may continue to hold the meeting and transact business at the physical venue, including conducting a poll and voting in accordance with valid proxy instructions.

As previously noted, Shareholders are encouraged to lodge a directed proxy vote by 10am (Sydney time) on Tuesday, 17 October 2023 even if they plan to participate in the meeting online or at the physical location, so that their vote will be counted if, for any reason, they cannot attend and 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 2023 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 2023 Annual Report which is available on the Company's website at <https://www.perpetual.com.au/shareholders/annual-general-meeting>.

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.

A reasonable opportunity will be given to shareholders as a whole at the meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

## RESOLUTION 1:

### Adoption of the Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report for the financial year ended 30 June 2023. 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 2023.

The Company's approach to remuneration in FY23 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, I am pleased to present our Remuneration Report for the financial year ended 30 June 2023 (FY23). Our Remuneration Report provides our shareholders and other stakeholders with a thorough and transparent explanation of how remuneration outcomes for our Key Management Personnel (KMP) align with our performance in FY23 and with the longer-term interests of our shareholders, clients, and other stakeholders.

### Strategy and Pental Group acquisition

Perpetual's strategy has been to continue to strengthen its three core businesses with an emphasis on providing scale to its asset management businesses. In FY23 Perpetual announced and completed the acquisition of Pental Group, becoming a global leader in multi-boutique asset management with AUM of A\$212 billion<sup>1</sup> across equities, cash and fixed income and multi asset strategies. The Pental Group transaction is a major acquisition with the objective, when added to our existing asset management businesses, to deliver strategic value to shareholders by enhancing our ability to capture the benefits of scale, investment diversity and capability and expanding Perpetual's global distribution footprint.

The transaction brings together two organisations with complementary strengths and is expected to deliver A\$80 million of annualised pre-tax synergies within the first two years post-completion, benefiting both shareholders and clients. A more scaled asset management business provides Perpetual with a stronger platform for growth, and with the expanded investment capability and global distribution, creates the potential for meaningful EPS accretion.

### Perpetual's performance in FY23

Perpetual takes a long-term view of performance. Successful delivery of strategy is assessed against agreed financial, client and growth measures which are aligned to long-term strategic objectives, thereby balancing short-term outcomes with the necessary investments for long-term sustainable growth.

At a Group level, while Perpetual delivered growth in underlying profit after tax (UPAT) to A\$163.2 million, underlying EPS of A\$1.966 was down 24% on FY22. Continued profit growth was delivered in Corporate Trust and Wealth Management<sup>2</sup>, however net outflows of A\$8.1 billion across our asset management business impacted earnings at a group level. Despite this, integration activities associated with the Pental Group acquisition progressed well in FY23, and at 30 June 2023 the integration program was assessed by the Board as being on track to achieve the stated goal of A\$80 million in run rate synergies within the first two years post-completion.

<sup>1</sup> As at 30 June 2023.

<sup>2</sup> Wealth Management is the new naming convention for Perpetual Private



## Explanatory Memorandum (continued)

Perpetual delivered positive client outcomes in FY23. Our Net Promoter Score (NPS) outcome of +57 in FY23 was a new high, improving substantially on FY22's outcome of +49 and remaining above Perpetual's long-term target of +40. Our investment teams continued to deliver strong relative investment performance, with 78% of the Group's strategies outperforming their benchmarks over a three-year time horizon to 30 June 2023.

### FY23 variable remuneration outcomes

The People and Remuneration Committee (PARC) and the Board spend considerable time each year evaluating the contribution and performance of the CEO and other Executive KMP. Perpetual maintains a performance-driven remuneration framework, linking KMP bonuses to key financial and strategic objectives.

In arriving at the proposed Variable Incentive outcomes for FY23, the Board weighed up challenging financial results, including net outflows within our asset management business, alongside continued execution of strategy and delivery of positive client outcomes. For FY23, the Board has determined to award the CEO a Variable Incentive award of 55% of target, or 31% of maximum opportunity, with individual outcomes for other Executive KMP averaging 49% of target, or 28% of maximum opportunity. The aggregate Cash and Unhurdled Variable Incentive outcomes approved for the CEO are down 35% on prior year and for other Executive KMP are down 32% on prior year. Bonus funding levels approved for the CEO and Executive KMP are aligned to the bonus funding levels approved for corporate staff more broadly across Perpetual.

### Further alignment of Executive KMP to shareholder experience

As outlined in detail in the FY22 Remuneration Report and Notice of Meeting (and approved at last year's AGM), shortly after the completion of FY22, the Perpetual Limited Board awarded a long-term incentive (Growth LTI) to Executive KMP incentivising the team to deliver growth above the existing KMP Variable Incentive scheme reward's stretch performance. The vesting hurdle for these awards will be a stretch CAGR absolute TSR of at least 10% (0% vesting) to 15% (100% vesting). Subject to meeting this hurdle, vesting will occur equally after 3, 4 and 5 years, with any vested equity restricted for a full five-year period. In arriving at this design, the Board intended to create an incentive arrangement for management to share in the upside of shareholder returns, while ensuring that no vesting will occur if the compounded stretch targets are not met.

### Changes to KMP remuneration in FY23

As foreshadowed in the FY22 Remuneration Report, commencing in FY23, the Hurdled Equity component of the KMP Variable Incentive was decoupled from the broader Variable Incentive structure. In effect, the Hurdled Equity component is no longer subject to the group scorecard assessment process prior to allocation. The existing 7-10% CAGR absolute TSR hurdle range remains unchanged, with any vesting of these awards needing to meet or exceed this hurdle range over a three or four-year period. For FY23, the Board determined that all Executive KMP would receive their target Hurdled Equity award<sup>3</sup>. It is expected that this change will result in more consistent Hurdled Equity allocations being made to Executive KMP across business cycles – similar to a traditional long-term incentive (LTI).

### CEO vesting outcomes in FY23

The three-year tranche of the CEO's FY19 Hurdled Equity allocation was tested in September 2022 and did not meet the CAGR absolute TSR hurdle range required for vesting. As a result, this tranche of the CEO's FY19 Hurdled Equity allocation lapsed and will not be retested. Other Executive KMP moved to the Hurdled Equity structure of the combined Variable Incentive with effect from FY20 and the first tranche of Hurdled Equity will be tested in September 2023.

### Board composition

Several changes to Board composition occurred in FY23. Following completion of the Pental Group acquisition in January 2023, and in recognition of the growing scale and global nature of the business, two internationally based Non-executive Directors of Pental Group, Ms Kathryn Matthews and Mr Christopher Jones, joined the Perpetual Limited Board. Alongside this change, one of Perpetual's long serving Australian-based Non-executive Directors, Mr Craig Ueland, retired from the Board.

Perpetual is now a truly global business, with offices in 10 countries and over 1,900 employees globally. With scale comes the need for appropriate governance and oversight given the complex regulatory requirements that exist for our businesses globally. For FY24, the Board has established two new Board Committees<sup>4</sup> to assist in further directing focus to key areas of oversight.

<sup>3</sup> Consistent with the Variable Incentive forfeiture provisions, any Executive KMP due to depart the business will not receive a Hurdled Equity award.

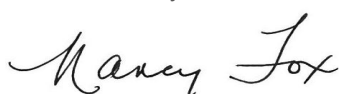
<sup>4</sup> In August 2023, the Perpetual Limited Board approved the formation of a Technology and Cyber Security Committee and an Integration Committee.

## Explanatory Memorandum (continued)

### Conclusion

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 are confident that we have balanced shareholder interests whilst also ensuring that our team is appropriately remunerated such that your company has the best possible opportunity to deliver on our strategic goals.

Yours sincerely,



### Nancy Fox

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.

### RESOLUTION 2:

#### Re-appointment of Mr Tony D'Aloisio AM

Qualifications: BA LLB (Hons)

Mr Tony D'Aloisio was appointed as a Director of Perpetual Limited in December 2016 and last stood for re-appointment at the 2020 annual general meeting. He now stands for re-appointment. The Board considers Mr Tony D'Aloisio to be an independent Director.

Mr Tony D'Aloisio became Chairman of Perpetual Limited on 31 May 2017 and is also Chairman of Perpetual's Nominations Committee.

Tony has held leadership roles in listed and non-listed companies. He was CEO and MD at the Australian Securities Exchange from 2004–2006. Tony was Chief Executive Partner at Mallesons Stephen Jaques between 1992–2004 having first joined the firm in 1977. He was appointed a Commissioner for the Australian Securities and Investments Commission (ASIC) in 2006 and Chairman in 2007 for a four-year term. He was Chairman of the (International) Joint Forum of the Basel Committee on banking supervision from 2009–2011.

Most recently Tony was Chairman of IRESS Limited (technology) (2015–2021). He was a Non-executive Director of ASX-listed Boral Limited 2002–2004 as well as a Director of the Business Council of Australia 2003–2006 and the World Federation of Exchanges 2004–2006. He was President of the Australian Winemakers Federation 2012–2016.

Currently Tony is President of the European Capital Markets Cooperative Research Centre.

The Board supports Mr Tony D'Aloisio's re-appointment because he brings to the Board a deep knowledge of financial markets, strategic planning and public company governance.

The Directors (with Mr Tony D'Aloisio abstaining) unanimously support the re-appointment of Mr Tony D'Aloisio 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 Ms Fiona Trafford-Walker

Qualifications: BEc, M. Fin

Ms Fiona Trafford-Walker was appointed as a Director of Perpetual Limited on 9 December 2019 and stood for re-appointment at the 2020 annual general meeting. She now stands for re-appointment. The Board considers Ms Fiona Trafford-Walker to be an independent Director.

Ms Fiona Trafford-Walker is a member of Perpetual's People and Remuneration Committee, Investment Committee and Integration Committee.

Fiona has over 30 years of senior executive and business management experience within the investment industry, bringing extensive knowledge of investment management and a strong institutional and international perspective to the Perpetual Board.

Fiona began her career in institutional investment consulting in 1992, and until December 2019 was an Investment Director at Frontier Advisors (Frontier). At various times during her tenure, she was responsible for the original development and on-going management of Frontier's business, as well as providing investment and governance advice to a number of the firm's clients.

Currently Fiona is a Non-executive Director of Victorian Funds Management Corporation, Prospa Group Ltd, Link Administration Holdings Ltd, FleetPartners Group (previously known as Eclix Group), an Investment Committee Member of the Walter and Eliza Hall Institute, Strategic Advisor to the QE Advisory Board and Independent Advisor to the Investment Committee of the Australian Retirement Trust.

## Explanatory Memorandum (continued)

The Board supports Ms Fiona Trafford-Walker's re-appointment because she brings to the Board significant experience in investment advice and management, corporate strategy development and executive performance.

Ms Fiona Trafford-Walker is a Director of Link Group which provides share registry and other related services to Perpetual however Ms Fiona Trafford-Walker has no role in or visibility over the appointment process for Perpetual's share registry vendor. The Board does not consider that Ms Fiona Trafford-Walker's directorship with Link Group affects her independence.

The Directors (with Ms Fiona Trafford-Walker abstaining) unanimously support the appointment of Ms Fiona Trafford-Walker 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 Mr Christopher Jones

Qualifications: MA (Cantab) CFA

Mr Christopher Jones was appointed as a Director of Perpetual Limited on 24 January 2023 and now stands for re-appointment by Shareholders for the first time. The Board considers Mr Christopher Jones to be an independent Director.

Mr Christopher Jones is a member of Perpetual's People and Remuneration Committee, Investment Committee, Integration Committee and Technology and Cyber Security Committee.

Christopher is based in New York City, USA. He has over 40 years' experience in the financial services industry across both investments and funds management. Most recently, Christopher was Principal of CMVJ Capital LLC, a private investor and adviser in the financial services, asset management and technology industries. Prior to this, he was Head of Blackrock's US Global Fundamental Equity and Co-head of Global Active Equity. Previously, he spent 32 years in a range of roles at Robert Fleming and Co and JP Morgan Asset Management.

The Board supports Mr Christopher Jones' re-appointment because he brings to the Board significant experience in investment management, financial and risk management and financial services technology.

Appropriate background checks were completed before Mr Christopher Jones was appointed to the Board.

The Directors (with Mr Christopher Jones abstaining) unanimously support the appointment of Mr Christopher Jones 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.

### RESOLUTIONS 5(a) and 5(b):

#### Approval of the FY23 variable incentive equity grants to the CEO and Managing Director

##### a) Grant of Share Rights to the CEO and Managing Director under the KMP variable incentive plan

##### b) Grant of Performance Rights to the CEO and Managing Director under the KMP variable incentive plan

ASX Listing Rule 10.14 requires the Company to obtain shareholder approval for the issue of securities to a Director under an employee incentive. Accordingly, these resolutions are being put to Shareholders to seek approval for a grant of unhurdled share rights and hurdled performance rights to be made to the Chief Executive Officer and Managing Director (CEO), Mr Rob Adams, in accordance with the Company's KMP Variable Incentive Plan and Mr Rob Adams' contract of employment.

As described below, the Variable Incentive award for FY23 will be granted under the KMP Variable Incentive structure, with the equity component of this award being awarded as a tranche of unhurdled share rights and two tranches of 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).

## Explanatory Memorandum (continued)

**Variable incentive**

Mr Rob Adams participates in the KMP 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 FY23 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 FY23 with reference to progress against key strategic and individual priorities agreed at the commencement of the performance year.

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

- Mr Adams continued to make decisive and effective decisions on strategic investments. Further to the acquisitions of Barrow Hanley and Trillium in prior years, Mr Adams led the acquisition of Pandal Group in FY23. This was part of the Board's strategy of a larger, more diversified and more meaningful asset management business to provide medium to long term growth for shareholders coupled with the potential for EPS accretion through synergies in the shorter term. This was a complex and difficult transaction and was led by Mr Adams at every stage. Mr Adams had in place an effective internal and external team complimenting the Board and its independent advisers.
- Mr Adams has, as part of that acquisition, reviewed and continued to build his executive team focussed on achieving benefits for shareholders. He has allocated resources and responsibilities both on the shorter-term delivery of synergies and in the longer-term initiatives such as global distribution.
- Mr Adams has led these and other business as usual initiatives through uncertain and volatile market conditions in FY23. He has continued to achieve high employee sentiment results driven by an open and transparent communication programme and has effectively led investor and shareholder communications.

In considering these and other relevant matters, the Board has determined to award Mr Adams an overall variable incentive outcome of 55% of target, or 31% of the maximum, in respect of FY23, as follows:

Cash	\$356,200 (target: \$650,000)
Unhurdled equity	\$602,800 (target: \$1,100,000)
<b>Total</b>	<b>\$959,000 (target: \$1,750,000)</b>

The unhurdled equity component of \$602,800 will be delivered as share rights, subject to shareholder approval:

- 28,407 share rights, representing a face value of \$602,800, will vest on 1 September 2025 and convert into restricted shares for an additional two-year period.

In addition, the Board has determined to award Mr Adams a Long-Term Incentive of 100% of target, equating to a value of \$1,100,000. The Long-Term Incentive is to be delivered as a grant of performance rights, subject to shareholder approval:

- 25,919 performance rights, representing a face value of \$550,000, will vest on 1 September 2026 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
- 25,918 performance rights, representing a face value of \$550,000, will vest on 1 September 2027 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 2027. Share rights and performance rights are not eligible to receive dividends.

## Explanatory Memorandum (continued)

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 Board has discretion in relation to the appropriate calculation methodology and may make adjustments where appropriate to avoid a material advantage or disadvantage to employees.

The number of share rights and performance rights for which shareholder approval is sought for FY23 performance was determined by dividing \$1,702,800 by the face value of a Perpetual share, calculated using the five-day Volume Weighted Average Price leading up to and including 1 September 2023, this being \$21.22.

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 or summary dismissal, all of Mr Rob Adams' unvested share rights and 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);
- illness or injury; or
- mutual agreement between the Company and Mr Rob Adams,

unvested share rights and restricted shares will be retained with vesting conditions and restriction periods continuing to apply, unless the Board determines otherwise. A pro-rata portion of any unvested performance rights, based on the proportion of the vesting period served to the termination date, will be retained with vesting conditions, performance hurdles, and restriction periods continuing to apply. The remaining balance of unvested performance rights will lapse.

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

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

The Board has discretion to make changes under the KMP 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 KMP Variable Incentive Plan.

The Company's Remuneration Report for the financial year ended 30 June 2023 contains further details about the Variable Incentive Plan.

### **If shareholders do not approve any of the above grants to the CEO and Managing Director**

- The equity component of the Variable Incentive are important parts 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.

## Explanatory Memorandum (continued)

**Other information provided in accordance with the ASX Listing Rules for Resolutions 5(a) and 5(b)**

- 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 grants.
- 66,354 share rights and 115,620 performance rights have previously been issued to Mr Rob Adams under the Variable Incentive Plan (at no cost to him).
- Mr Rob Adams has also been previously issued 170,161 performance rights under the KMP Growth Long Term Incentive (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 2023 AGM.
- Details of any share rights and performance rights issued under the KMP 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 KMP 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. Mr Adams target package for FY24 will be:

Total Fixed Remuneration (including superannuation)	\$1,302,776
Variable Incentive cash	\$650,000 (at target) <sup>1</sup>
Variable Incentive share rights (unhurdled equity)	\$1,100,000 (at target) <sup>1</sup>
Variable Incentive performance rights (hurdled equity)	\$1,100,000 (at target) <sup>1</sup>

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

- A voting exclusion applies to resolutions 5(a) and 5(b), as set out earlier in this Notice of Meeting.
- The Directors (with Mr Rob Adams abstaining) unanimously recommend that Shareholders vote in favour of resolutions 5(a) and 5(b). The Chairman of the AGM intends to vote all available proxies in favour of resolutions 5(a) and 5(b).

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Perpetual Limited (“Perpetual”) is an ASX listed (ASX:PPT) global financial services firm operating a multi-boutique asset management business, as well as wealth management and trustee services businesses.

Perpetual owns leading asset management brands including Perpetual, Pandal, Barrow Hanley, J O Hambro, Regnan, Trillium and TSW.

Perpetual’s wealth management business services high-net worth clients, not for profits, and small businesses through brands such as Perpetual Private, Jacaranda Financial Planning and Fordham.

Perpetual’s corporate trust division provides services to managed funds, the debt market and includes a growing digital business, encompassing Laminar Capital.

Headquartered in Sydney, Perpetual services its global client base from offices across Australia as well as internationally from Asia, Europe, the United Kingdom and United States.

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