
People and Remuneration Committee Terms of Reference

Approved: 31 July 2025

1. Objective

- 1.1 The People and Remuneration Committee (**Committee** or **PARC**) is a standing committee of the board of directors of Perpetual Limited (**Board**). The purpose of the Committee is to assist the Board to carry out the following functions in respect of Perpetual Limited and its wholly owned subsidiaries (together **Group**) to more efficiently and fully:
- i. monitor that management has in place and carries out appropriate talent management policies and practices in conformance with the Group's performance, values and risk appetite;
 - ii. ensure that the Group has adequate policies, programs and practices in place to attract and retain talent to meet its purpose and strategic objectives;
 - iii. monitor that management has a workplace, health and safety framework in place and satisfy itself that the framework is effective;
 - iv. set and monitor the Group's approach to diversity and inclusion and corporate social responsibility;
 - v. review and recommend to the Board for approval non-executive remuneration policies and practices;
 - vi. review and recommend to the Board for approval executive remuneration policies and practices;
 - vii. review succession and career plans for key roles; and
 - viii. monitor that management has a global remuneration compliance framework in place and satisfy itself that the framework is effective.
- 1.2 The Committee may, within the scope of its responsibilities:
- i. perform activities and make recommendations to the Board consistent with these Terms of Reference;
 - ii. engage independent counsel and other advisors as it considers necessary to carry out its duties at the Group's expense;
 - iii. require the attendance of company officers at meetings as appropriate; and
 - iv. have unrestricted access to management, employees and information it considers relevant to its responsibilities under these terms of reference.
- 1.3 The Committee has no management role.

2. Membership

- 2.1 Committee members are appointed by the Board. The Committee will consist of:
- i. a minimum of three members;
 - ii. all of whom are non-executive Directors of the Board; and
 - iii. a majority of whom are independent Directors.
- 2.2 The Board also appoints the Chair of the Committee, who must be an independent Director who is not Chair of the Board.
- 2.3 The Committee must collectively have expertise and/or experience in human resources, remuneration or a related field in the context of the Group's business in the financial services industry.
- 2.4 The Chair of the Committee will ensure that there is an appropriate induction process for completion by each new member.
- 2.5 The Secretary of the Committee will be the Company Secretary, or such other person as nominated by the Board.

3. Meetings

- 3.1 The Committee meets formally at least four times a year and the schedule of meetings will be agreed in advance.
- 3.2 One of the meetings will be set at a date to enable the Remuneration Report, Corporate Governance Statement and Sustainability Report (AASB S2¹) to be reviewed prior to presentation to the Board. This meeting may be

¹ The Sustainability Report will mainly be focused on meeting AASB S2 legislation which is climate-related disclosures until further legislation under AASB is introduced.

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- held in combination with the Audit, Risk and Compliance Committee of the Board and may be attended by the external auditors. All Directors are invited and encouraged to attend this meeting.
- 3.3 Special meetings may be convened as required or requested by a Director.
- 3.4 The number of times the Committee met in the financial year and the individual attendance by members at Committee meetings must be disclosed in the Annual Report.
- 3.5 A quorum of the Committee is two independent Non-executive Director members of the Committee.
- 3.6 The CEO and Managing Director (**CEO**), the Chief Operating Officer and the Head of Performance, Reward and Governance will be invited to attend all meetings, unless otherwise determined by the Committee.
- 3.7 In the discharge of the Committee's responsibilities, no executive will be directly involved in determining their own remuneration.
- 3.8 Other Directors of the Board are invited to Committee meetings under a standing invitation.
- 3.9 The agenda and supporting papers should be delivered to the Committee members by the Committee Secretary at least five business days in advance of each meeting.
- 3.10 Draft minutes of each Committee meeting are to be approved by the Committee Chair and circulated to all Committee members by the Committee Secretary within a reasonable timeframe following the Committee meeting.
- 3.11 The Committee Chair will provide a verbal report to the Board of material Committee matters at the next Board meeting. Once the minutes have been approved by the Committee, the Committee Secretary will advise the Board at the next Board meeting that the minutes have been approved. The Committee Secretary will advise that a copy of the approved minutes are available on Diligent (the Board portal used by Perpetual to distribute Board meeting materials).
- 3.12 Minutes are not a verbatim recording of the meeting but should accurately record the resolutions of the Committee, key reasons for those decisions (where appropriate) and actions arising.
- 3.13 The actions arising from each Committee meeting will be approved by the Committee Chair and are noted in the minutes of the meeting. The Committee Secretary will develop an action list and it will be included in the Committee pack for each Committee meeting.
- 3.14 The action list will include accountabilities and the nature and timing of subsequent reporting.
- 3.15 Reports and other papers of the Committee shall be made available to all Directors upon request, provided no conflict of interest exists.
- 3.16 Committee members will be given the opportunity to attend technical or professional development courses to assist them in keeping up to date with remuneration, legal and regulatory issues.
- 3.17 Meetings may be held using any technology agreed to by all Committee members.
- 3.18 The Committee may pass a resolution at a Committee meeting by way of simple majority of those Committee members present and eligible to vote on the matter. The Committee Chair will not have a casting vote. If votes are split on a proposed resolution, the matter shall be referred to the Board for further consideration and decision.
- 3.19 The Committee may pass a resolution without a Committee meeting being held if all Committee members who are entitled to vote on the resolution sign (including electronically) a document containing a statement that they are in favour of the resolution set out in the document. The resolution is taken to have been passed if the Committee members who sign the resolution would have constituted a quorum at a meeting of the Committee to consider the matter.

4. Responsibilities

Talent management

The Committee will:

- 4.1 Oversee employment and talent management policies and practices across the Group, including policies and practices related to employee recruitment, training and development, promotion, workplace health and safety, equal opportunity, cultural diversity, as well as remuneration and benefits.

Remuneration policies

The Committee is responsible for the entity's remuneration framework and its effective application and will:

- 4.2
 - a. ensure that incentives for the CEO and other Key Management Personnel encourage them to pursue the growth and success of the Group without rewarding conduct that is contrary to the Group's values, policies or risk appetite; and
 - b. assist the CEO to develop effective remuneration policies and practices for the Group globally:
 - i. to ensure that incentives for the other members of the Executive Committee encourage them to pursue the growth and success of the Group without rewarding conduct that is contrary to the Group's values, policies or risk appetite; and
 - ii. to balance the need to reward appropriately with the implications for the Group's reputation and standing in the community if it is seen to pay excessive remuneration.
- 4.3 Review compensation policies, principles and practices in light of current market benchmarks and expert advice on remuneration levels and structures with the aim of monitoring that:
 - a. appropriate remuneration and incentives are in place to attract, secure, retain, and motivate high calibre, qualified, experienced and committed employees;
 - b. policies are fair and equitable having regard to their stated purpose (including rewarding and creating incentives for high levels of individual and company performance (both in the short-term and over the long-term) without taking undue risks) and current market levels and corporate governance and legal requirements;
 - c. in setting remuneration levels, due regard is paid to the interests of the company and its shareholders; and
 - d. the Group's policies and practices comply with global regulatory requirements, standards and practices in respect of remuneration – in conjunction with subsidiary boards globally.
- 4.4 Review and recommend to the Board for approval the CEO's annual recommendations for remuneration of Key Management Personnel reporting directly to the CEO (the **Key Management Personnel**) and for members of the Executive Committee.
- 4.5 Review executive and employee share and option schemes, including any phantom equity schemes or subsidiary equity plans, to monitor that these are market-competitive and are reasonably expected to achieve their objectives.
- 4.6 Make recommendations to the Board on decisions required under the terms of executive and employee share and option schemes.
- 4.7 On approval from the Board, exercise any of the powers and discretions of the Board under any employee share and option plan that may from time to time be operated by the Group, including (but not exclusively) the following plans:
 - Perpetual Long-Term Incentive Plan;
 - One Perpetual Share Plan;
 - Fund investment deferral plans;
 - KMP Variable Incentive Plan; and
 - Barrow Hanley Equity Planincluding (but not limited to) in relation to the making of offers and invitations, the terms of such offers and invitations, the interpretation of the relevant plan rules, and the issue, grant, cancellation or listing of shares and options over shares under the plans.
- 4.8 Monitor superannuation and other retirement plan arrangements available to executives and staff and endeavour to keep them consistent with the Group's policies and procedures in the context of industry practice.
- 4.9 Consider the Group's remuneration practices and commitments regarding gender pay equity, and review and endorse strategies or changes to address any pay bias developed by management and make recommendations to the Board.
- 4.10 Review and monitor the processes employed by the Group to verify the integrity of any corporate reporting that is overseen by the Committee and which the Group releases to the market and which is not audited or reviewed by an external auditor.

Succession and career planning

The Committee will:

- 4.11 Review at least annually, the CEO's succession plans for Executive Committee members and any other key executive positions as identified by the CEO or the Committee, together with the career development plans in place for those executives including employees, with high potential to progress to more senior roles. This review will include consideration of any gender diversity targets set by the Board.
- 4.12 In conjunction with the Investment Committee, review succession plans for the Boutiques within the Asset Management business.
- 4.13 Report to the Board on the status of succession plans including the availability of internal and external succession candidates for all Key Management Personnel and other members of the Executive Committee.

Executive performance planning and review

The Committee will:

- 4.14 Establish, maintain and review the process of setting robust performance measures and targets that encourage superior executive performance and ethical behaviour consistent with the Group's Code of Conduct.
- 4.15 Review and recommend to the Board payments and equity grants to be made under executive incentive plans and monitor the achievement of performance measures and targets.

Board remuneration

The Committee will:

- 4.16 Review Directors' fees annually for Perpetual Limited and any other sub-boards or committees that the Committee requires visibility of, including Board and committee fees and other benefits, in light of contemporary market practice, workload and, as necessary, securing expert advice on market relativities.
- 4.17 Make recommendations to the Board for any changes in the level, form or structure of Board remuneration, with the aim of monitoring that:
 - i. Board remuneration is appropriate to attract and retain suitably qualified, high calibre, experienced and committed Directors; and
 - ii. Board remuneration is fair and reasonable having regard to current market practice, the responsibilities and liabilities of Directors, the workload involved in fulfilling these responsibilities and the interests of the company and its shareholders.
- 4.18 Recommend to the Board for approval the remuneration levels for the Chair of the Board.

CEO and Key Management Personnel arrangements

The Committee will:

- 4.19 Obtain and review market information regarding the Key Management Personnel's remuneration each year and make recommendations to the Board in respect of their performance and remuneration (including fixed annual remuneration, short term and variable incentives and equity-based payments).
- 4.20 Recommend to the Board annually approval of robust performance measures and targets that encourage superior executive performance and ethical behaviour from the Key Management Personnel.
- 4.21 Assist the Chair of the Board to make recommendations to the Board in relation to the performance measures and the performance of the CEO and in relation to the CEO's remuneration (including fixed annual remuneration, short term and variable incentives and equity-based payments).

Remuneration disclosure

- 4.22 In conjunction with the Audit, Risk and Compliance Committee of the Board, the Committee will monitor that all remuneration-based accounting requirements have been complied with (including any disclosure requirements).

Remuneration consultants

- 4.23 The Committee will approve the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Cth) where a recommendation is sought.

Equal opportunities and diversity

The Committee will:

- 4.24 Ensure that corporate policies support opportunities at Perpetual based solely on merit, for all employees. Policies include those relating to equal opportunity regardless of sex, race, religion, sexual orientation and disability, preventing discrimination and harassment and upholding privacy.
- 4.25 Oversee the Group's Diversity and Inclusion Policy including making recommendations to the Board regarding objectives to be set for achieving gender diversity.
- 4.26 Report to the Board at least annually on the objectives and management's progress in achieving them.
- 4.27 Review at least annually the relative proportion of men and women on the Board, in senior management positions and in the workforce at all levels of the group, and report to the Board outlining the Committee's findings or, if applicable, provide the board with the company's most recent indicators as required by the *Workplace Gender Equality Act 2012* (Cth).

Stakeholder engagement

The Committee will:

- 4.28 Develop a strategy for shareholder and regulator communication in relation to remuneration issues.
- 4.29 Oversee the content and tone of the I Remuneration Report and recommend to the Board its inclusion in the annual Directors' Report.

General

- 4.30 The Committee will carry out any other responsibilities and functions that may be delegated by the Board.

Subsidiary Companies' Boards and Committees

- 4.31 The Committee is responsible for endorsing candidates for the role of a Perpetual subsidiary board director or subsidiary committee member and recommending their appointment to the Board for approval. This applies to executive and non-executive roles. When endorsing a candidate for appointment to a Perpetual subsidiary board or subsidiary committee, the Committee will have regard to the guiding principles contained in the Perpetual Subsidiary Board and Committee Composition Policy.

(It is noted that committee means a committee operating under a formal and approved delegation by a subsidiary board of directors. For the avoidance of doubt, a committee is not an informal management committee or variation thereof.)

5. Other Subsidiary Boards

The Committee will assist any relevant subsidiary boards to regularly review the application, effectiveness of, and compliance of the remuneration policies and practices for the Group with the requirements of any relevant local regulatory and legal requirements. This includes (but is not limited to) the JO Hambro Capital Management Limited Board.

6. Reporting responsibilities

The Committee will, through its Chair, regularly update the Board about matters relevant to the Committee's role and responsibilities and make appropriate recommendations for approval by the Board.

7. Regulator contact and availability

Committee members will make themselves available to meet with any relevant regulator on request.

8. Evaluating performance

In order to ensure that the Committee is fulfilling its duties to the Board, the Committee will periodically:

- a. obtain feedback from the Board on the Committee's performance and implement any agreed actions; and
- b. provide any information the Board may request to facilitate its review of the Committee's performance.

9. Review of the terms of reference

The Committee will review the Committee's Terms of Reference periodically, discuss any required changes with the Board and ensure any revisions to the Terms of Reference are approved by the Board.

10. Annual General Meeting

The Committee Chair will attend the Annual General Meeting of Perpetual Limited to address the meeting and will respond to any shareholder questions on the Remuneration Report and/or the Committee's activities.

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, Pendal, 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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