

# Investment Committee Terms of Reference

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**PERPETUAL LIMITED**  
**INVESTMENT COMMITTEE**  
**TERMS OF REFERENCE**

## **1. OBJECTIVE**

- 1.1. The Investment Committee (**Committee**) is a delegated committee of the board of directors of Perpetual Limited (**Perpetual**) (**Board**). The purpose of the Committee is to assist the Board in monitoring the effectiveness of Perpetual's investment governance framework in each of Perpetual's subsidiaries and Asset Management investment affiliates.
- 1.2. The Committee may, within the scope of its responsibilities:
  - a) perform activities and make recommendations to the Board consistent with these Terms of Reference;
  - b) engage independent counsel and other advisors as it considers necessary to carry out its duties at Perpetual's expense;
  - c) require the attendance of company officers at meetings as appropriate; and
  - d) 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:
  - a) a minimum of three members;
  - b) all of whom are Non-executive Directors of the Board; and
  - c) a majority of whom are independent Directors.
- 2.2. The Board also appoints the Chairman of the Committee, who must be an independent Director who is not the Chairman of the Board.
- 2.3. Each member must be financially literate and the members collectively must have investment, wealth or related financial markets expertise.
- 2.4. The Chairman 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 of Perpetual, or such other person as nominated by the Board.
- 2.6. The skills and performance of all Committee members will be reviewed annually by the Board.

## **3. MEETINGS**

- 3.1. The Committee meets formally four times a year, or otherwise as agreed, and the schedule of meetings will be agreed in advance.
- 3.2. Special meetings may be convened as required or requested by a Director of the Board.
- 3.3. The number of times the Committee meets and the individual attendance by members at Committee meetings will be disclosed in Perpetual's Annual Report.

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- 3.4. A quorum is three independent Non-executive Director members of the Committee.
  - 3.5. The Chief Executive Officer and Chief Risk & Sustainability Officer will be invited to attend all meetings, unless otherwise determined by the Committee. Other senior executives will be invited to attend as required.
  - 3.6. 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.
  - 3.7. Draft minutes of each Committee meeting are to be approved by the Committee Chairman and circulated to all Committee members by the Committee Secretary within a reasonable timeframe following the Committee meeting.
  - 3.8. 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).
  - 3.9. 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.
  - 3.10. The actions arising from each Committee meeting will be approved by the Committee Chairman and are noted in the minutes. The Committee Secretary will develop an action list and it will be included in the Committee pack for each Committee meeting.
  - 3.11. The action list will include accountabilities and the nature and timing of subsequent reporting.
  - 3.12. Reports and other papers of the Committee shall be made available to all Directors upon request, provided no conflict of interest exists.
  - 3.13. Other members of the Board are invited to Committee meetings under a standing invitation.
  - 3.14. Meetings may be held using any technology agreed to by all Committee members.
  - 3.15. 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 chairman will not have a casting vote. If there is a tie, the matter shall be referred to the Board for further consideration and decision.
  - 3.16. 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 by a meeting of the Committee if the Committee members who sign the resolution would have constituted a quorum at the meeting of the Committee to consider that resolution.

## **4. RESPONSIBILITIES**

### **4.1. Review and monitor the design and execution of the Asset Management and the Wealth Management strategies including distribution and product strategy**

The Committee will review and monitor:

- a) the strategic context and rationale (such as customer requirements and competitive strategies) for the development and maintenance of the Perpetual Group's investment products and mandates;
- b) performance of products and mandates offered to clients compared with agreed benchmarks;
- c) exposure to, or reliance on, particular revenue streams linked to market outcomes or events;
- d) asset levels across asset classes and investment products with regard to capacity constraints;
- e) the investment landscape to evaluate both short and long-term emerging market trends, opportunities and risks and ensure these are being appropriately considered internally; and

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- f) the evolving investment capabilities needed by asset managers and other Perpetual Group investment professionals to meet the future needs of the Perpetual Group.

#### **4.2. Monitor the investment governance frameworks in place across the Group**

The Committee will:

- a) review decisions and outcomes from the Global Product Committee ;
- b) monitor the work completed by Perpetual's internal investment committees including the Investment Review Forum, the Perpetual Private Investment Committee, and the Investment Committees of Trillium, Barrow Hanley, Pental, JO Hambro and TSW (and any subsequent affiliates);
- c) review periodically the investment governance structures, including the role and responsibilities of those structures;
- d) monitor Perpetual Group investment resource capabilities and product capacity across investment strategies; and
- e) escalate any legal and/or fiduciary concerns to the most appropriate body.

#### **4.3. Seed funding**

The Committee will oversee the implementation of Perpetual's Seed Capital Policy. It also will monitor the work completed by the Global Product Forum as it relates to the seed funding programme.

#### **4.4. Advocacy - Trillium Asset Management (Trillium)**

In addition to the responsibilities outlined above, for Trillium, the Committee will monitor the operation of the advocacy function within the Trillium business to ensure it is aligned to Trillium's principal ESG investment objectives and mission and is not being inhibited by other interests from within the Perpetual Group.

### **5. GENERAL**

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

### **6. REPORTING RESPONSIBILITIES**

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

### **7. EVALUATING PERFORMANCE**

- 7.1. In order to ensure that the Committee is fulfilling its duties to Perpetual and its shareholders, 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.

### **8. REVIEW OF TERMS OF REFERENCE**

- 8.1. The Committee will review the Committee's Terms of Reference periodically, discuss any required changes with the Board and make recommendations for amendments to the Board for approval.

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.

[perpetual.com.au](https://perpetual.com.au)