

# PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

NOTICE OF 2021  
ANNUAL GENERAL  
MEETING

Perpetual 

## CHAIRMAN'S REPORT

Dear Shareholder

It is my pleasure to invite you to the Annual General Meeting (**AGM**) of Perpetual Equity Investment Company Limited (**Company**), which will be held at 2.00pm (Sydney time) on Thursday, 21 October 2021. Shareholders can participate online at <https://agmlive.link/PIC21>.

### ONLINE MEETING

In light of the current COVID-19 situation, unfortunately shareholders are not able to physically attend the AGM for health and safety reasons.

Please refer to the Notice of Meeting and the Online Guide at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting> for further details on how to view and participate in the meeting online.

During the online meeting, you will be able to view the live webcast of the AGM, ask questions and make comments (orally or in writing), and submit your vote in real time.

### APPOINTING A PROXY AND SUBMITTING QUESTIONS IN ADVANCE OF THE AGM

You may appoint a proxy to vote on your behalf, either by accessing our share registry's website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) and following the prompts or following the instructions in the proxy form. Proxy appointments must be received by 2.00 pm (Sydney time) on Tuesday 19 October 2021. Even if you plan to participate in the AGM online, we encourage you to submit a directed proxy vote so that your vote will be counted if for any reason you cannot vote on the day.

We also invite you to submit questions to the Company or auditor in advance of the meeting online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by using the shareholder question form that has been lodged on the ASX and posted on the Company's website at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>. Questions submitted this way must be received no later than 5.00 pm (Sydney time) on Thursday, 14 October 2021.

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

## ITEMS FOR DELIBERATION AT THE AGM

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

- the financial and statutory reports for the financial year ended 30 June 2021;
- the re-election of Ms Virginia Malley as an independent non-executive director;
- the election of Ms Amanda Apted (Gillespie) as an executive director;
- an advisory vote on the adoption of the Remuneration Report for the financial year ended 30 June 2021; and
- the re-insertion of Proportional Takeover Provisions in the Constitution.

## FURTHER INFORMATION AND UPDATES

Full details of each item of business are set out in the Notice of Meeting and Explanatory Memorandum.

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 online AGM and providing you with a progress report on the Company. Portfolio Manager, Vince Pezzullo, will also provide you with an update on the performance of the Company's investment portfolio.



A handwritten signature in black ink that reads "Nancy Fox". The signature is written in a cursive, flowing style.

**Nancy Fox**  
Chairman

16 September 2021

## NOTICE OF MEETING

NOTICE IS GIVEN THAT THE ANNUAL GENERAL MEETING (**AGM**) OF PERPETUAL EQUITY INVESTMENT COMPANY LIMITED ACN 601 406 419 (**COMPANY**) WILL BE HELD ON THURSDAY, 21 OCTOBER 2021 AT 2.00PM (SYDNEY TIME).

### MEETING ATTENDANCE

The meeting will be broadcast from Level 18, Angel Place, 123 Pitt Street, Sydney, NSW 2000. Unfortunately shareholders are not able to physically attend the AGM for health and safety reasons.

Shareholders and proxyholders can participate in the meeting online at <https://agmlive.link/PIC21>.

Online registration will open at 1.30pm (Sydney time). To register, you will need to log in through a compatible web browser using a computer, tablet or mobile device with an internet connection.

Shareholders will then be prompted to enter their shareholder number and postcode. Proxyholders will need their proxy number which will be provided by Link Market Services following lodgement of the proxy appointment and no later than 24 hours prior to the meeting. Further information can also be found in the instructions on the online platform and in the Online Guide, which has been lodged with the ASX and posted on the Company's website at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>.

The enclosed '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 Meeting.

## FINANCIAL AND STATUTORY REPORTS

To receive and consider the financial report and the reports of the Directors and of the auditor for the financial year ended 30 June 2021.

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

## RE-ELECTION OF DIRECTOR

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

‘That Ms Malley, who retires by rotation from the office of Director in accordance with the Company’s Constitution and being eligible, is re-elected as a Director of the Company.’

Ms Malley was last elected as a Director at the Company’s 2018 AGM and is retiring by rotation.

Information about Ms Malley appears in the Explanatory Memorandum attached to this Notice of Meeting.

## ELECTION OF DIRECTOR

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

‘That Ms Apted (Gillespie), having been appointed as a Director of the Company on 13 May 2021, be elected in accordance with clause 15.10 of the Company’s Constitution.’

Information about Ms Apted (Gillespie) appears in the Explanatory Memorandum attached to this Notice of Meeting.

## ADOPTION OF REMUNERATION REPORT

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

‘That the Remuneration Report of the Company for the financial year ended 30 June 2021 is adopted.’

In accordance with section 250R of the Corporations Act 2001 (Cth) (**Corporations Act**), the vote on Resolution 3 will be advisory only.

## REINSERTION OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

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

‘That proportional takeover provisions in the form of clause 28 of the Company’s Constitution (as last approved by shareholders) be included in the Company’s Constitution for a further period of three years, commencing from the date of this Annual General Meeting.’

Information about the Proportional Takeover Provisions appears in the Explanatory Memorandum attached to this Notice of Meeting.

## VOTING

The Chairman intends to put Resolutions 1, 2, 3 and 4 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 Australian Securities Exchange (**ASX**) as soon as practicable after the AGM.

## VOTING EXCLUSION STATEMENT – RESOLUTION 3 (REMUNERATION REPORT)

For all resolutions that are directly or indirectly related to the remuneration of a member of the Key Management Personnel (**KMP**) of the Company, the Corporations Act restricts KMP and their closely related parties from voting in some circumstances. ‘Closely related party’ is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 3 (Remuneration Report):

- by or on behalf of a KMP named in the Company’s Remuneration Report for the financial year ended 30 June 2021, or their closely related parties (regardless of the capacity in which the vote is cast); or
- as proxy for a person who is a member of the KMP on the date of the Annual General Meeting or their closely related parties.

However the Company will not disregard any votes cast as a proxy for a person entitled to vote on Resolution 3:

- in accordance with a direction on the proxy form; or
- by the Chairman of the AGM, in accordance with an express authorisation in the proxy form to exercise the proxy even though the resolution is connected with the remuneration of the Company’s KMP.

## PROXIES

A shareholder who is entitled to vote at the AGM may appoint a proxy to 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 two proxies and may specify the proportion or number of votes that the proxy may exercise on a poll.

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

A shareholder who is entitled to vote on a resolution may direct their proxy 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. 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) and 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 (Remuneration Report), then by completing and submitting the proxy form the shareholder will be expressly authorising the Chairman to exercise their proxy on the resolution even though it is connected with the remuneration of the Company's KMP.

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. The proxy form may be downloaded online at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>. Proxies may be lodged with the share registry by:

- hand delivery at Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000
- 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 [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

or to the Company's registered office by:

- hand delivery or 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 **2.00pm (Sydney time) on Tuesday, 19 October 2021**. 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 representative at the AGM. The appointment must comply with the requirements of section 250D of the Corporations Act. Evidence of the corporate representative's appointment, including the authority under which the appointment is signed, should be provided to the Company in advance of the AGM, 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, 19 October 2021 (**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.

#### SHAREHOLDER QUESTIONS IN ADVANCE OF THE AGM

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 the Company's website at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>, or submit the question online through the share registrar's website, in accordance with the instructions on the form. Questions must be received by the Company's share registrar by no later than **5.00pm (Sydney Time) on Thursday, 14 October 2021**. Questions should relate to matters that are relevant to the business of the AGM, as outlined in this Notice of Meeting and the attached Explanatory Memorandum.

Questions that are relevant to:

- the contents of the auditor's report; or
- the conduct of the audit of the Company's financial report

may be addressed to the Company's auditor.

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

## PARTICIPATING IN THE MEETING

Shareholders can watch, ask questions, make comments and vote in real time during the AGM through an online facility at <https://agmlive.link/PIC21>.

Shareholders will be given an opportunity to ask questions in real-time by telephone. A personalised PIN is needed to ask a question 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.

To register, shareholders will need their SRN or HIN and postcode. Proxyholders will need their proxy number which will be provided by Link Market Services following lodgement of the proxy appointment and no later than 24 hours prior to the meeting. Online participants should register at least 30 minutes before the AGM.

The online platform will contain additional details as to how to vote and ask questions during the AGM. Further information can be found in the Online Guide, which has been lodged with the ASX and posted on the Company's website.

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

## TECHNICAL DIFFICULTIES

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

As previously noted, shareholders are encouraged to lodge a proxy by **2.00pm (Sydney time) on Tuesday 19 October 2021** even if they plan to participate in the meeting online, so that their vote will be counted if for any reason they cannot vote on the day.

## EXPLANATORY MEMORANDUM IS PART OF THIS NOTICE OF MEETING

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

By order of the Board.



**Sylvie Dimarco**  
Company Secretary  
**16 September 2021**

## EXPLANATORY MEMORANDUM

### FINANCIAL AND STATUTORY REPORTS

The financial report and the reports of the Directors and of the auditor for the financial year ended 30 June 2021 will be 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.

The Company's 2021 Annual Report (which includes the Directors', auditor's and financial reports) is available on the Company's website:  
[www.perpetualequity.com.au](http://www.perpetualequity.com.au).

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 Company's 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 or the independence of the auditor in relation to the conduct of the audit.

## RESOLUTION 1:

### RE-ELECTION OF MS VIRGINIA MALLEY, INDEPENDENT NON-EXECUTIVE DIRECTOR

BA, MAPPFIN, JURIS DOCTOR,  
GRADDIPENVLAW, LLM, FAICD

Ms Virginia Malley has been an Independent Non-executive Director of the Company since 25 August 2014 and was last re-elected at the 2018 AGM. Ms Malley is the Chair of the Company's Audit and Risk Committee and is a member of the Company's Nomination and Corporate Governance Committee.

Ms Malley is currently a Non-Executive Director of Perpetual Superannuation Limited and a member of several Perpetual Compliance Committees. She is also Deputy Chair of the NSW Biodiversity Conservation Trust, Non-executive Director of icare, Chair of the Review Panel of the Australian Carbon Industry Code Of Conduct, Chair of the Future Super Risk Committee and Chair of Pinnacle Fund Services Compliance Committee.

Ms Malley has 35 years of experience in the financial and environmental sectors with expertise in financial and environmental markets, corporate governance, risk management and regulatory compliance. She was previously a board member of the Clean Energy Regulator, Morphic Ethical Equities Fund Ltd and the Nature Conservation Trust of NSW. In her executive career, she 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.

## Board recommendation

The Directors have reviewed the performance of Ms Malley and believe 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.

Accordingly, the Directors (with Ms Malley abstaining) strongly support the re-election of Ms Malley, and unanimously recommend that shareholders vote in favour of Resolution 1.

## RESOLUTION 2:

### ELECTION OF MS AMANDA APTE (GILLESPIE) EXECUTIVE DIRECTOR BECO/ECON (HONS)

Ms Amanda Apte was appointed as an Executive Director on 13 May 2021.

Ms Apte is a Director of Perpetual Investment Management Limited (the Company's appointed Manager) and Trillium Asset Management Group, LLC. Ms Apte is also the Group Executive, Perpetual Asset Management, Australia. She is responsible for leading the Australian division of Perpetual Asset Management, which includes the Australian Equities, Credit & Fixed Income, Global Innovation Share and Multi Asset investment management teams. Ms Apte 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 Apte has more than 21 years of experience in asset management and investment research. Prior to joining Perpetual, Ms Apte was Chief Executive Officer of Lonsec where she played a key role in building out Lonsec's investment and superannuation research and consulting capabilities.

Appropriate background checks were conducted before Ms Apte was appointed to the Board.

## Board recommendation

The Directors have reviewed the performance of Ms Apte and believe that Ms Apte provides a valuable contribution to the Board, including her extensive knowledge of asset management and investment research.

Accordingly, the Directors (with Ms Apte abstaining) strongly support the election of Ms Apte, and unanimously recommend that shareholders vote in favour of Resolution 2.

## RESOLUTION 3:

### ADOPTION OF REMUNERATION REPORT

The Company's Remuneration Report for the financial year ended 30 June 2021 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 do not receive performance-related remuneration and are not entitled to participate in equity-based incentive plans. The Executive Director, Ms Amanda Apte is not entitled to Directors' fees or any other form of remuneration from the Company for her services. Accordingly, the Remuneration Report for 2021 is simple and brief.

The Company's Remuneration Report for the financial year ended 30 June 2021 is set out on pages 20 to 22 of the Annual Report 2021, which is available at [www.perpetualequity.com.au](http://www.perpetualequity.com.au).

In accordance with section 250R 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 the future remuneration arrangements of the Company.

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 this resolution is set out on page 5 of this Notice of Meeting.

### Board recommendation

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

### RESOLUTION 4:

#### REINSERTION OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

Clause 28 of the Company’s Constitution contains provisions relating to proportional takeovers (**Proportional Takeover Provisions**).

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

In essence, if this resolution is approved and a takeover bid is subsequently made for some but not all of each shareholder’s shares, the Proportional Takeover Provisions will enable shareholders as a whole to vote on whether the proportional bid should be allowed to proceed, independently from their individual decisions whether or not to accept the bid.

Under the Corporations Act, 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 Constitution was adopted in 2014 and were last renewed at the 2017 AGM. Shareholder approval is now sought for the re-insertion of the Proportional Takeover Provisions into the Constitution.

More detail about the re-insertion of the Proportional Takeover Provisions is set out below.

#### WHAT IS A PROPORTIONAL TAKEOVER BID, AND WHY DO WE NEED THE PROPORTIONAL TAKEOVER PROVISIONS?

A proportional takeover bid (also referred to as a “partial takeover bid”) involves 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 to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

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

- 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 Company’s shareholders will be binding on all individual shareholders.

The Directors 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 for a satisfactory control premium.

The Directors also believe 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 Directors must seek to ensure that shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes. The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, with the exception of the bidder and its associates, who are not allowed to vote.

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

The Proportional Takeover Provisions do not apply to full takeover bids and only apply for three years after the date of approval. The provisions may be renewed, but only by a special resolution.

Similar provisions are commonly found in the constitutions of listed companies, and are regularly renewed.

#### POTENTIAL ADVANTAGES AND DISADVANTAGES

While the re-insertion of the Proportional Takeover Provisions will allow the Directors to ascertain shareholders’ views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors 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.

However, it is also possible that the inclusion of such provisions in the 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.

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

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

### **Board Recommendation**

The Directors unanimously recommend that shareholders vote in favour of Resolution 4.

The logo for Perpetual, featuring the word "Perpetual" in a serif font followed by a large, stylized blue script letter "P".