

# PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

NOTICE OF 2020  
ANNUAL GENERAL  
MEETING

Perpetual 

## CHAIRMAN'S REPORT

Dear Shareholder

It is my pleasure to invite you to attend the sixth Annual General Meeting (**AGM**) of Perpetual Equity Investment Company Limited (**Company**).

The AGM will be held as a virtual meeting at 2.00pm (Sydney time) on Thursday, 15 October 2020.

### IMPORTANT NOTES REGARDING PARTICIPATION IN VIRTUAL AGM

In response to Government restrictions and the potential health risks arising from the COVID-19 pandemic, the Company's AGM will be held online this year. There will not be a physical meeting, but shareholders and proxyholders can participate in the AGM through an online platform that will allow them to view the AGM and ask questions and vote in real time during the meeting. Further information on how to participate virtually is set out in the Notice of Meeting and Online Platform Guide. The Online Platform Guide has been lodged with the ASX and posted on the Company's website at <https://www.perpetualequity.com.au/shareholders/annual-general-meeting>.

If you are unable to attend the AGM online, you may appoint a proxy to attend and 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 2.00pm (Sydney time) on Tuesday, 13 October 2020. Even if you plan to attend 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 attend (for example, if there is an issue with your internet connection on the day of the meeting).

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 5.00pm (Sydney time) on Thursday, 8 October 2020.

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 wish to advise shareholders that one of our Non-executive Directors, Ms Christine Feldmanis, will retire by rotation at the AGM and is not standing for re-election. I would like to take this opportunity to thank Christine most sincerely for her valued contribution and deep commitment to the Company since she joined the Board in September 2014.

### 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 2020;
- the re-election of Ms Nancy Fox as a Non-executive Director; and
- an advisory vote on the adoption of the Remuneration Report for FY20.

Full details of each item of business are set out in the enclosed Notice of Meeting and Explanatory Memorandum. The Board recommends that shareholders vote in favour of all items of business.

I look forward to welcoming you to the 2020 AGM and providing you with a progress report on the Company. Our Portfolio Manager, Vince Pezzullo, will also provide you with an Investment Manager 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  
**10 September 2020**

## NOTICE OF MEETING

NOTICE IS GIVEN THAT THE SIXTH ANNUAL GENERAL MEETING (AGM) OF PERPETUAL EQUITY INVESTMENT COMPANY LIMITED ACN 601 406 419 (COMPANY) WILL BE HELD AS A VIRTUAL MEETING ON THURSDAY, 15 OCTOBER 2020 AT 2.00PM (SYDNEY TIME).

### MEETING ATTENDANCE

Shareholders and proxyholders can register, view and participate in the meeting at <https://agmlive.link/PIC20>.

Online registration will open at 1.30pm. To register, shareholders will need to log in through a compatible web browser, using a computer, tablet or mobile device with an internet connection. Please refer to the Online Platform Guide for further details.

The enclosed 'Explanatory Memorandum' contains further information about the matters to be considered at the AGM and forms part of this Notice of Annual General 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 2020.

### RESOLUTION 1

#### RE-ELECTION OF DIRECTOR

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

*'That Ms Nancy Fox, 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 Fox was last elected as a Director at the Company's 2017 AGM and is retiring by rotation.

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

### RESOLUTION 2

#### ADOPTION OF REMUNERATION REPORT

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 2020 is adopted.'*

In accordance with section 250R of the Corporations Act 2001 (Cth) (**Corporations Act**), the vote on Resolution 2 will be advisory only.

#### VOTING

The Chairman will put Resolutions 1 and 2 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 2 (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 2 (Remuneration Report):

- by or on behalf of a KMP named in the Company's Remuneration Report for the financial year ended 30 June 2020, 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,

unless the vote is cast as proxy for a person entitled to vote on Resolution 2:

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

On a poll, each proxy has one vote for each share carrying the right to vote. A shareholder may appoint 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.

If a shareholder appoints the Chairman of the AGM as proxy, or the Chairman is appointed by default, and the Chairman is not directed how to vote on a resolution, then, on the poll for that resolution, the Chairman intends to vote all available proxies for that shareholder in favour of that resolution.

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 2 (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 and return the completed proxy form to the Company's share registrar by:

- hand delivery at Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138

- 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
- by lodging the proxy appointment online through the Company's share registry website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). 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

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 9287 0303

Duly completed proxy forms (and any necessary supporting documents) must be received by the Company at an address or facsimile number specified above, or by online lodgement at the website specified above, by no later than 2.00pm (Sydney time) on Tuesday, 13 October 2020. 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.

The representative should lodge this information with the Company's share registry no later than 48 hours prior to the AGM, unless it has been previously given to the Company.

## NOTICE OF MEETING (CONTINUED)

### DETERMINATION OF ENTITLEMENT TO ATTEND AND VOTE AT THE AGM

The Company has determined that for the purpose of ascertaining entitlements to attend and vote at the AGM, the shares in the Company on issue as at 7.00pm (Sydney time) on Tuesday, 13 October 2020 (Entitlement Time) will be taken, for the purposes of the AGM, 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 attend or vote at the AGM.

### 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 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, 8 October 2020. 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 ONLINE

Shareholders and proxyholders can watch, ask questions, make comments and vote in real time during the AGM through an online facility at <https://agmlive.link/PIC20>.

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.

Further information can be found in the Online Platform 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 live webcast. Any 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

Significant planning and testing has been undertaken and the online technology being used by the Company has been successfully used by other companies. However, unforeseen technical difficulties may still arise during the course of the AGM. The Chairman has 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 2.00 pm (Sydney time) on Tuesday, 13 October 2020 even if they plan to attend the meeting online.

### 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  
**10 September 2020**

## 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 2020 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 2020 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 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 NANCY FOX, NON-EXECUTIVE DIRECTOR

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Under Clause 15.5 of the Company's Constitution, no director, who is not the Managing Director may hold office in excess of three years or past the third annual general meeting following the Director's appointment, whichever is the longer, without submitting for re-election. As Ms Fox was re-elected at the 2017 Annual General Meeting she is now required to stand for re-election.

Nancy Fox is currently a Non-executive Director of Perpetual Limited, Chairman of Perpetual's People and Remuneration Committee and a member of the Audit, Risk and Compliance Committee. She is also a Non-executive Director of ING Bank Australia and Lawcover Pty Ltd, and Deputy Chairman of the Board of Taronga Conversation Society Australia.

Nancy Fox has more than 30 years of experience in financial services, securitisation and risk management gained in Australia, the US and across Asia. A lawyer by training, she was Managing Director for Ambac Assurance Corporation between 2001 and 2011 and previously Managing Director for ABN Amro Australia and Vice President of Citibank.

### Board recommendation

The Directors have reviewed the performance of Ms Fox and believe that Ms Fox continues to provide a valuable contribution to the Board, including her extensive knowledge of corporate law, corporate governance and the legal aspects of investment structures.

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

### RESOLUTION 2:

#### ADOPTION OF REMUNERATION REPORT

The Company's Remuneration Report for the financial year ended 30 June 2020 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, David Lane, is not entitled to Directors' fees or any other form of remuneration from the Company for his services. Accordingly, the Remuneration Report for 2020 is simple and brief.

The Company's Remuneration Report for the financial year ended 30 June 2020 is set out on pages 19 to 22 of the Annual Report 2020, 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 2 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 4 of this Notice of Meeting.

### Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 2.

Perpetual 