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# Perpetual Limited (ASX:PPT) FY21 Results Presentation

For the full year ended 30 June 2021

Thursday 19 August 2021



Trust is earned.

Perpetual 

# Overview of Perpetual

## A high quality financial services firm investing in future growth

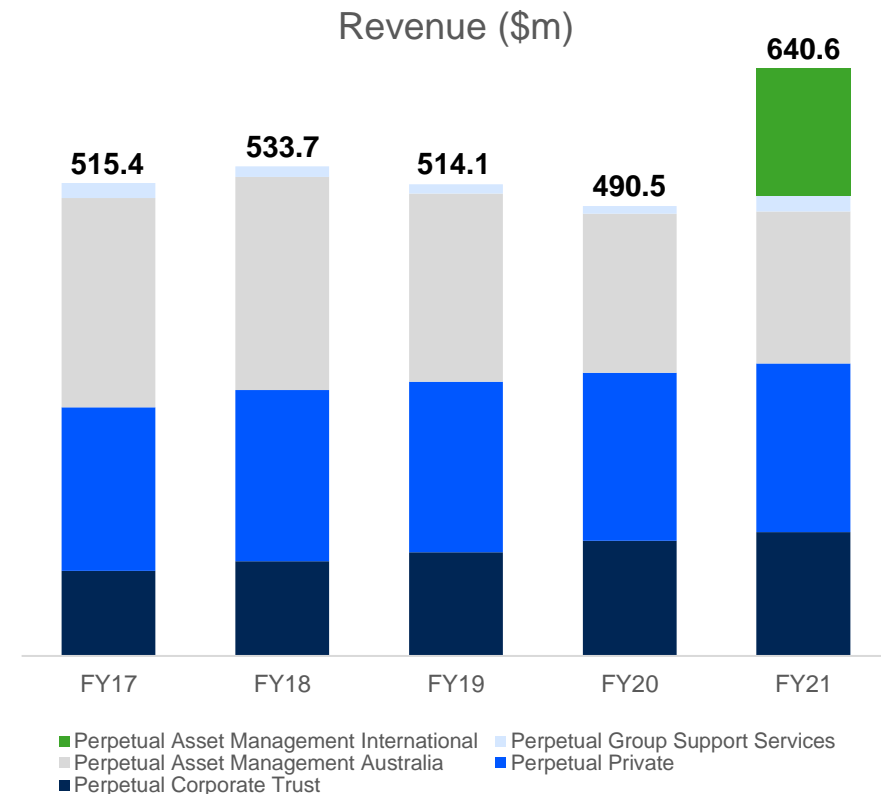
### Highlights

- Unique business combination delivering results across all divisions:
  - Perpetual Asset Management International (PAMI)
  - Perpetual Asset Management Australia (PAMA)
  - Perpetual Corporate Trust (PCT)
  - Perpetual Private (PP)
- Investments in substantial growth opportunities delivering scale and capability
- Transformational acquisitions and growing global distribution
- Well positioned to take advantage of key global growth trends in ESG and value investing

### Key statistics

- Growth in Assets Under Management of 246% YoY to A\$98.3b<sup>1</sup>
- 100% of PAMA funds, 92% equity strategies and 77% of fixed income strategies in PAMI performing above benchmark over 1 year<sup>2</sup>
- High client satisfaction with overall NPS of +44<sup>3</sup>
- Now operating in 6 countries, across 16 offices
- 1166 employees (FTE) worldwide

### High quality business complemented by transformational acquisitions



# Agenda

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# Full Year 2021 Highlights

**Rob Adams**

**CEO and Managing Director**



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# FY21 overview

## Investing for growth and delivering results

**\$640.6m**

Operating revenue<sup>1</sup>

↑ 31% on FY20

**\$124.1m**

UPAT<sup>2</sup>

↑ 26% on FY20

**\$74.9m**

NPAT

↓ 9% on FY20

**15.8%**

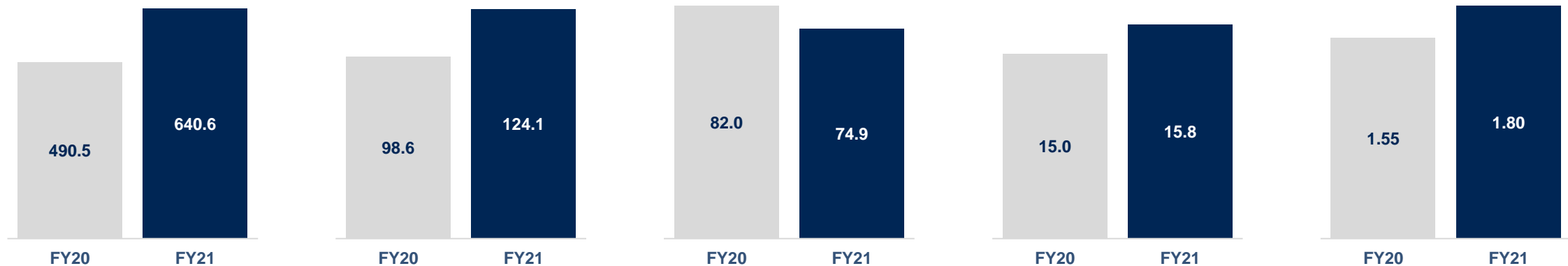
ROE<sup>3</sup>

↑ 80bps on FY20

**\$1.80**

Total dividend

↑ 16% on FY20



- Results reflect two completed transformational acquisitions<sup>4</sup> with total AUM growth of 246% YoY to A\$98.3b
- Operating revenue growth of 31% driven by contributions of Trillium (12 months) and Barrow Hanley (7 months), higher performance fees and strong performance in PCT
- UPAT growth driven by acquisitions and higher performance fees, continued growth in PCT and PP, partially offset by a decline in AUM in PAMA
- NPAT lower due to the one-off costs associated with the acquisitions
- Final fully franked ordinary dividend for 2H21 of \$0.96 cents per share with payout ratio of 76%. Total FY21 dividend for the year of \$1.80
- Solid ROE growth driven by accretive acquisitions

1. Operating revenue is presented net of distributions and expenses of the EMCF structured products. For statutory purposes, revenue, distributions and expenses are adjusted to reflect the gross revenue and expenses of these products 2. Post completion of Barrow Hanley acquisition in November 2020, the definition of UPAT was revised to reflect changes to the Group's operating cash flows from both existing and future opportunities. Refer to slide 52 of this presentation for UPAT revised definition and Appendix A and Appendix B of the OFR for further details 3. ROE is calculated using UPAT attributable to equity holders of Perpetual Limited for the period, divided by average equity attributable to equity holders of Perpetual Limited over the period in order to arrive at an annualised ROE. The change on FY20 is shown in basis points 4. Trillium (completion date of 30 June 2020) and Barrow Hanley (completion date of 17 November 2020). Barrow Hanley acquisition was funded through a new debt facility of \$195m USD and available cash. Weighted average number of shares for the period on issue of 56,226,656 for FY21 (FY20: 47,797,356 shares)

# Key highlights

## Execution of strategy driving sustainable growth



Strategy to build a global asset management business, adding world-class investment and distribution capabilities, is well underway and delivering strong results



FY21 financial performance reflects growing contribution of transformational acquisitions and solid organic contribution



A unique business combination with all divisions executing positively on strategy



Entering FY22 with renewed confidence and positive momentum across all operating divisions

### Perpetual Asset Management International

**\$76b**<sub>AUM</sub>

Comprising of Trillium and Barrow Hanley acquisitions<sup>1</sup>

### Perpetual Asset Management Australia

**100%**

Funds outperformed their relative benchmarks for the year<sup>2</sup>

### Perpetual Private

**\$17b**<sub>FUA</sub>

8<sup>th</sup> consecutive year of net inflows FUA ↑19% vs FY20

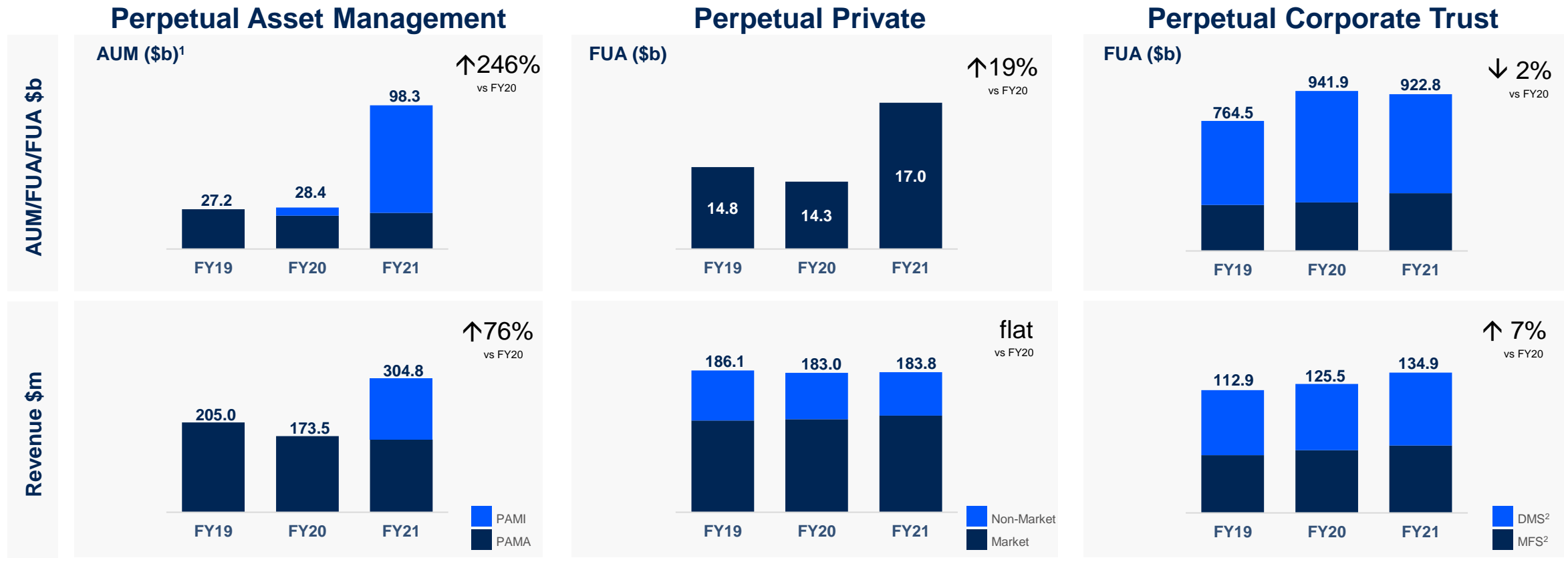
### Perpetual Corporate Trust

**10%**<sup>CAGR</sup><sub>UPBT</sub>

Consistent growth over the past 10 years

1. Closing AUM translated at 30 June 2021 with an exchange rate of AUD:USD of 0.75 2. As at 30 June 2021. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au), for relevant performance. The product disclosure statements (PDS) of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. PAMA funds not for distribution or release in the United States

# Momentum building across each division



- **Perpetual Asset Management** comprising of **PAMA** and **PAMI**, bolstered by the acquisitions of Barrow Hanley and Trillium, now diversified by geography, asset class and client channels

- Growth in adviser numbers through Adviser Growth Strategy, adding dedicated Family Office capability, delivering record FUA levels

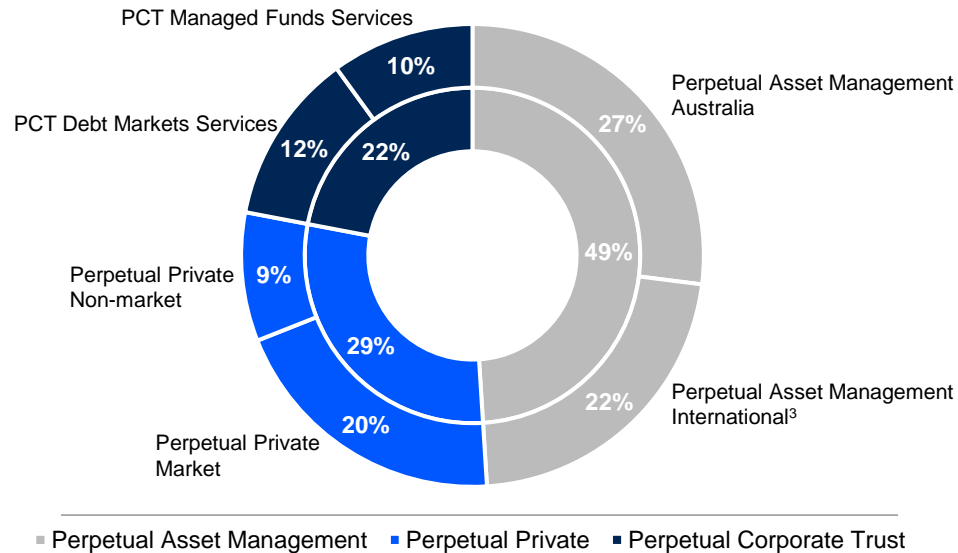
- Delivered another record year of revenue growth with high client advocacy

1. Closing AUM translated at 30 June 2021 with an exchange rate of AUD:USD of 0.75 2. DMS = Debt Markets Services, MFS = Managed Funds Services

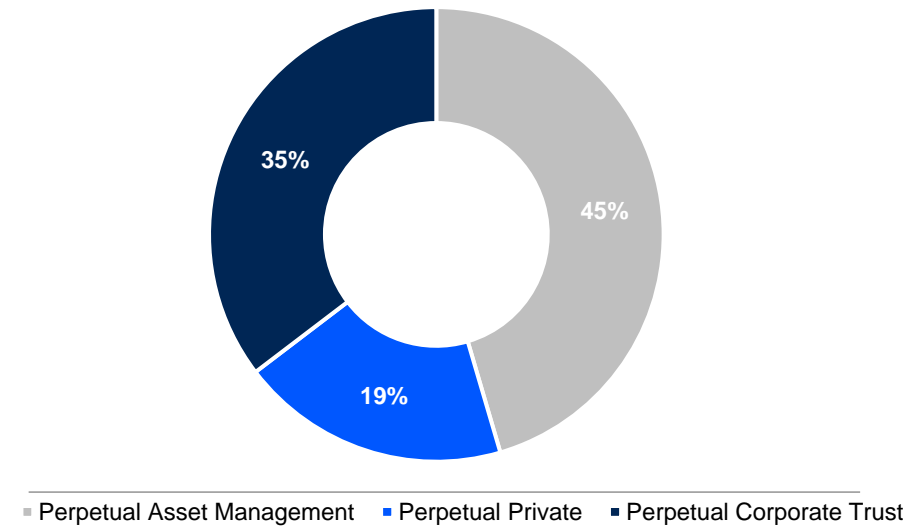
# A unique combination of businesses

High quality capabilities across asset management, corporate trust and private wealth

Operating revenue<sup>1,2</sup>



Underlying profit before tax<sup>3,4</sup>



1. Operating revenue contribution excludes Perpetual Group services for the 12 months ended 30 June 2021. FY21 Non-market revenue represented 31% of operating revenue and includes Perpetual Private non-market and Perpetual Corporate Trust revenues. FY21 Market revenues represented 69% of revenue and includes Perpetual Asset Management and Perpetual Private market revenues 2. Perpetual Asset Management International figures reflect 12 months of Trillium and approximately 7 months of Barrow Hanley. Trillium date of acquisition 30 June 2020 refer to ASX announcement dated 1 July 2020. Barrow Hanley date of acquisition 17 November 2020 refer to ASX announcement dated 18 November 2020 3. Underlying profit before tax excludes Perpetual Group services for the 12 months ended 30 June 2021 4. Segment percentages are subject to rounding



# Evolution to a truly global asset management firm well underway

## Where we are going

## Where are we today

## Where we were

- Diversified and primarily focused financial services business
- Traditional product suite servicing domestic clients
- Strong and trusted brand
- Deep insights and expertise

- Global presence, diversified by geography, distribution channel and asset class
- 32 new world-class investment capabilities with substantial capacity for future growth
- Growing global distribution presence already adding value
- Continuing to add capabilities to build scale and growth
- Recognised ESG capabilities embedded in all divisions
- Investing in technology to drive efficiency and scalability

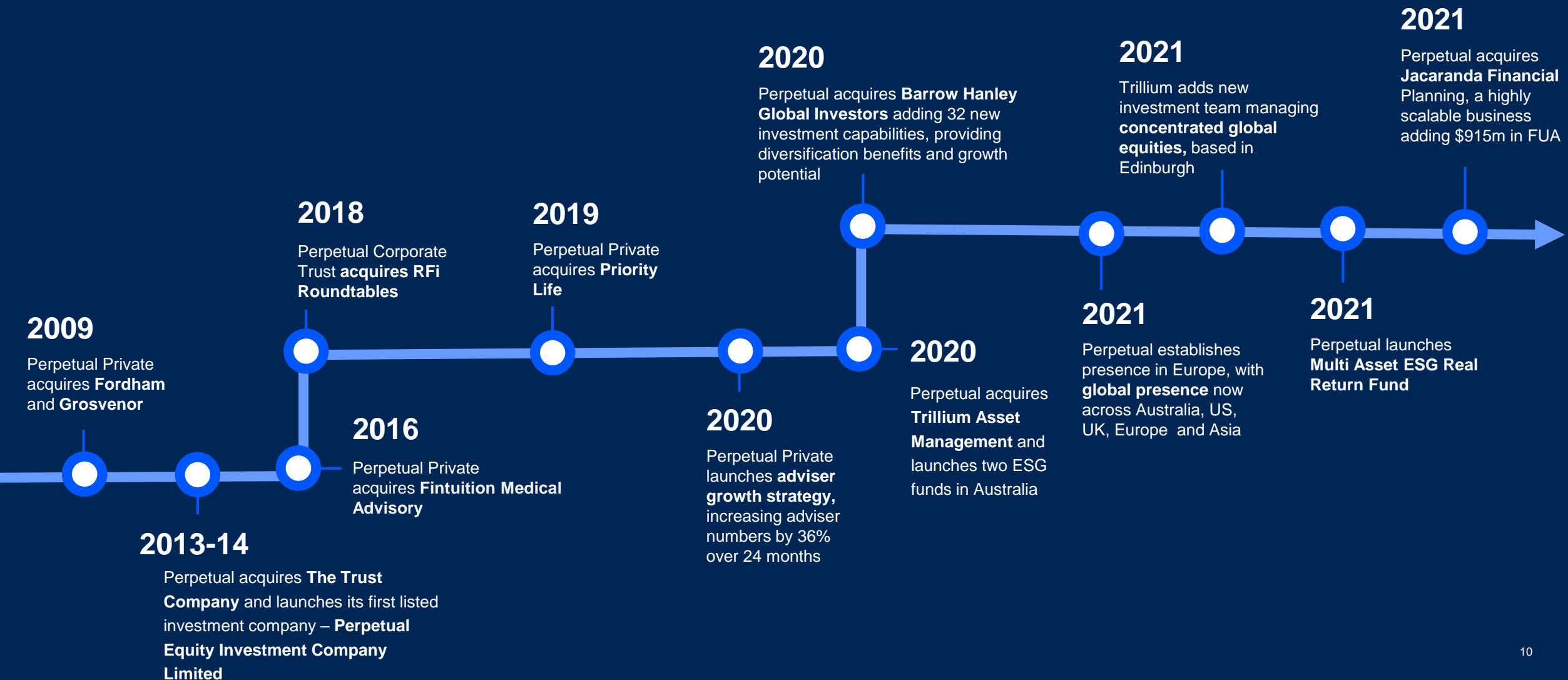
- A successful, growing global asset manager and financial services provider
- Leveraging ESG strengths to build further scale across all businesses
- The leading advice provider to UHNW, HNW, Aged Care, Philanthropic and Native Title segments
- Extending our corporate trust business through unique digital solutions
- Streamlined global operations and technology delivering scale benefits and operational leverage

Pre FY21

FY21-FY22

FY23 and beyond

# Transforming Perpetual with complementary acquisitions and service offerings delivering scale and capability



# Barrow Hanley and Trillium

Investment bringing transformational opportunities and strong growth horizons



- Limited sales capability
- Distribution largely driven by the high net worth advice team and client referrals
- Limited investment in marketing
- Domestic focus with global aspirations



**BARROW HANLEY**  
GLOBAL INVESTORS

- Barrow Hanley US distribution team of 31
- Limited and declining overseas distribution support
- No branded products

## Where we are today

- The Barrow Hanley distribution team has been reappointed to Head of Distribution & Strategy - Americas
- Combined US distribution team has expanded to 38 people
- Establishment of a UK distribution business to service institutional clients in the UK and the Middle East
- Establishing a European presence in Amsterdam with appointment of Jan Hein Alfrink, Director of Institutional Business for Europe

## Where we are going

- Relevant product structures across all key regions
- Supported by expansion of our global distribution team as required
- Adding new organic and inorganic investment capabilities
- Focus on being a solutions-based global asset management firm
- Opening up new distribution channels across key regions
- Building truly global asset management businesses

Pre-FY21

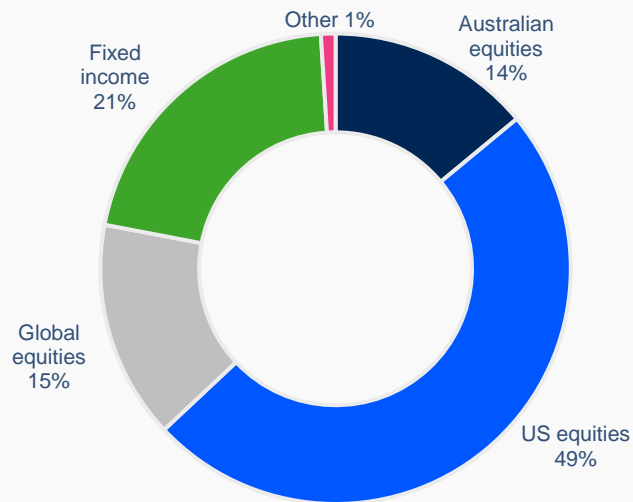
FY21

FY22 and beyond

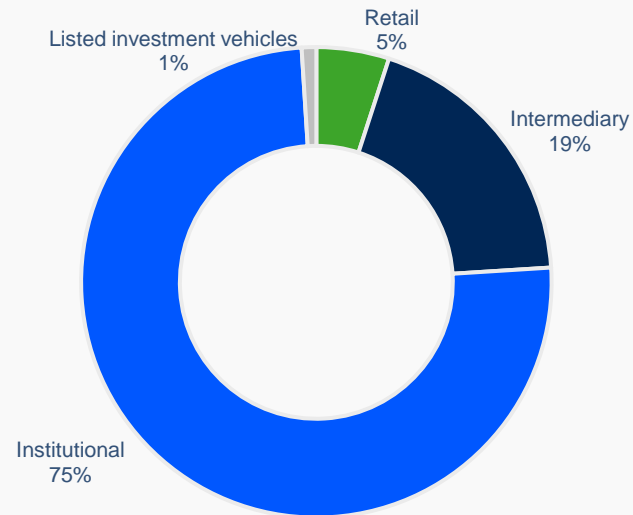
# International expansion driving scale and growth

**A\$98.3b<sup>1</sup> AUM across multiple asset classes, channels and regions**

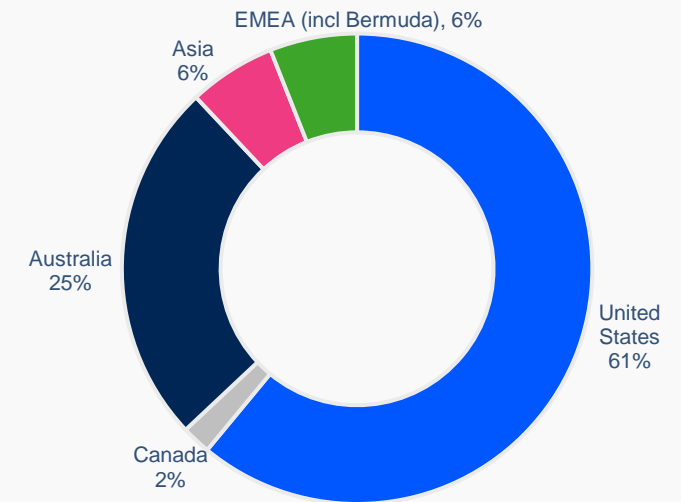
### AUM by asset class<sup>1</sup>



### AUM by channel<sup>1</sup>



### AUM by account domicile<sup>1</sup>



**A global asset management division with significant capacity for future growth across all capabilities**

1. PAMA and PAMI AUM combined as at 30 June 2021. Translated with an exchange rate of AUD:USD 0.75

# Expanding our global footprint

75% of AUM managed offshore supported by growing presence in key regions



**Growing global distribution team across key regions**

1. Undertakings for the Collective Investments in Transferrable Securities and subject to relevant regulatory approvals 2. Barrow Hanley has team member in this location outside of US

# ESG is now mainstream

## Foundations of ESG throughout Perpetual's 135 year history



### Trillium

- Unrivalled 39 years of impact driven investing
- Record net flows in FY21 with AUM growth of 50% in USD since acquisition<sup>1</sup>
- Global Equities now 5 Star-rated by Morningstar in the US<sup>2</sup>
- Launched Trillium ESG Global High Conviction Strategy based in Edinburgh with a proven investment team

### Barrow Hanley

- More than a 35-year track record in managing socially responsible mandates
- Proprietary ESG score applied to every security

### Perpetual Asset Management Australia

- Ethical SRI Fund approaching its 20th year anniversary; best performing fund in its peer group over 1 year<sup>3</sup>
- Ethical SRI Credit Fund 3-year track record reached<sup>4</sup>; available on 7 platforms
- Newly launched Multi Asset ESG Real Return Fund has seen strong institutional support
- Dedicated ESG team supporting all asset classes

### Perpetual Private

- Growing allocations to ESG - 64% increase in funds invested in responsible investments
- Providing ESG advice and insights across all channels

### Perpetual Corporate Trust

- A fiduciary for 6 client transactions in FY21 across a range of ESG focused outcomes
- Supported Brighte Capital issuing Australia's first 100% Green Certified asset-backed security issuance conforming to the Climate Bond Standard
- Partnership with ASF to produce a comprehensive study on the emergence of sustainability in securitisation<sup>5</sup>



# Building a sustainable future

## Active year across Environment, Social and Governance



### Environment

CDP climate score improved to a 'B-' in 2020 from a 'D' in 2019<sup>1</sup>

Trillium: signed up to Net Zero Asset Managers Alliance

On track to launch Perpetual's corporate sustainability strategy in FY22

PAMA: 2020 ESG Report consolidated actions to address ESG issues from an investment perspective

As Trustee, PCT supported humm group's 7th transaction with green bond tranches. Green notes meet Climate Bonds Standard Certification



### Social

Support c.100 NFP clients with more than \$103m through philanthropic distributions

Refreshed Diversity & Inclusion council, strategy and pillars

Awarded the WGEA<sup>2</sup> Employer of Choice for Gender Equality for four consecutive years

Established LGBTIQ+ group wide network

Developed Modern Slavery Framework and published first statement

First wealth manager to develop Reconciliation Action Plan in 2013 and launched new 2021 - 2023 Stretch Reconciliation Action Plan

'Future Fit Workplace' strategy to support employees to work where they work best

Refreshed Women@ Perpetual group

Supporting Perpetual's gender diversity through Women in Banking & Finance, Champions of Change Coalition, and Future Impact programs

Additional annual leave for employees for COVID-19 vaccination. Investment in wellbeing programs

Jawun partnership 8th consecutive year through annual secondee program

Partnership with LifeChanger Foundation established to build awareness, connection to community, and fundraising for critical programs supporting today's youth



### Governance

PAMA launched Principles for Responsible Investment (PRI) 2020 assessment report

In PCT, automating trust management and portfolio funding for clients. Launch of Treasury and Finance Intelligence module

Trillium: "Best for the World TM" certification by B Corp for the ninth consecutive year<sup>3</sup>

Barrow Hanley: Barrow Hanley proprietary ESG scoring system across every security

PP assisted philanthropists to distribute \$7m more to NFPs than their mandatory levels




PCT acted as Responsible Entity (RE) during the sale of Vitalharvest Freehold Trust as it went through a competitive bidding process of 19 offers and an increase of over 70% above the pre-offer trading price

PAMA: Responsible investment policy published in 2017 and signatory to the PRI

PCT appointed RE to the Emerging Markets Impact Investment Fund which invests in small to medium enterprises in South and South East Asia

1. CDP, formerly Carbon Disclosure Project, is a not-for-profit charity that runs a global disclosure platform for environmental impacts 2. Recognised by the Workplace Gender Equity Agency (WGEA) 3. Out of 4,000 Certified B Corporations worldwide, Trillium is amongst the top 5% B Corps in one of the five impact areas




# Perpetual's strategy for sustained growth

OUR STRATEGY		
<b>OUR PURPOSE</b> Enduring prosperity	<b>OUR VISION</b> Most trusted in financial services	<b>OUR HOLDERS</b> Excellence, integrity, partnership
<b>Clients</b> Trusted brand and enduring relationships	<b>People</b> Attract, develop and inspire the best people	<b>Shareholders</b> Delivering sustainable quality growth
STRATEGIC IMPERATIVES		
 <b>Client first</b> Exceptional products Outstanding service	 <b>Future fit</b> Empowering our people to deliver high performance	 <b>New horizons</b> New capabilities Global footprint
<ul style="list-style-type: none"> <li>Exceed client needs with products and services</li> <li>Improve client connectivity and delivery through innovative digital solutions</li> <li>Set industry leading standards in all that we do</li> </ul>	<ul style="list-style-type: none"> <li>Agile, efficient and scalable operating platform to manage growth</li> <li>A strong culture where people are positively challenged and empowered within our stated risk appetite</li> <li>Contemporary technology platform</li> </ul>	<ul style="list-style-type: none"> <li>Build global investment distribution capabilities</li> <li>Improve and diversify our growth potential both organically and via an active M&amp;A agenda across our businesses</li> <li>Deliver contemporary solutions to our clients</li> </ul>
ENABLERS		
<b>Brand</b>	<b>Leadership</b>	<b>Innovation</b>



# FY21 progress report

## Disciplined execution of strategy providing substantial growth opportunities

 <b>Client first</b> Exceptional products Outstanding service	 <b>Future fit</b> Empowering our people to deliver high performance	 <b>New horizons</b> New capabilities Global footprint
<ul style="list-style-type: none"><li>✓ High client satisfaction with overall NPS of +44<sup>1</sup></li><li>✓ Expanded range of investment capabilities</li><li>✓ Strong outperformance across all PAMA funds and significant majority of PAMI strategies over the year<sup>2</sup></li><li>✓ A leadership role in Australian Philanthropy by advancing investments in the community sector</li><li>✓ Officially appointed as the Native Title Trustee of the Noongar Boodja Trust<sup>3</sup></li><li>✓ PCT ‘Trustee of the Year’ for 5<sup>th</sup> consecutive year<sup>4</sup></li></ul>	<ul style="list-style-type: none"><li>✓ Accelerated build-out of global distribution team with key strategic appointments in Australia, US, UK and Europe</li><li>✓ Investing in digital cloud-based infrastructure and capability to build an agile operating platform</li><li>✓ Uplifted global governance, accountability and risk frameworks</li><li>✓ Transition to new global custodian and administrator underway</li><li>✓ Continued investment in cyber security framework and monitoring</li><li>✓ Supporting our people through COVID-19</li></ul>	<ul style="list-style-type: none"><li>✓ Completed key transformational acquisition of Barrow Hanley</li><li>✓ Record Trillium inflows in FY21 – AUM growth of 50%<sup>5</sup> in USD since acquisition</li><li>✓ New Trillium investment team established in Edinburgh</li><li>✓ Successfully launched Multi Asset ESG real return fund<sup>6</sup></li><li>✓ Expanded PP capabilities through adviser growth, family office and recent acquisition of Jacaranda Financial Planning<sup>7</sup></li><li>✓ Launched new digital solutions for PCT</li></ul>


1. NPS is a measure of advocacy and is conducted annually by Perpetual. More than 2000 clients completed the survey in May 2021 2. As at 30 June 2021. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au), [www.barrowhanley.com](http://www.barrowhanley.com) and [www.trilliuminvest.com](http://www.trilliuminvest.com) for relevant performance. The product disclosure statements (PDS) of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. PAMA funds not for distribution or release in the United States. 3. Refer to the media release on 29 March 2021 from the Government of Western Australia 4. Trustee of the year awarded by KangaNews. All copyrights reserved 2021 5. Trillium AUM was A\$5.6 billion (US\$3.8 billion) on acquisition date 30 June 2020. See ASX announcement dated 30 June 2020. Total Trillium AUM and flows are from all sources, across all regions 6. See [www.perpetual.com.au](http://www.perpetual.com.au) for the product disclosure statements (PDS). The PDS of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. PAMA funds not for distribution or release in the United States 7. Refer to the ASX Announcement Release dated 12 August 2021 lodged on the ASX

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# FY21 Financials

**Chris Green**

**Chief Financial Officer**



Trust is earned.

Perpetual 

# FY21 financial results

## UPAT up 26% and dividend up 16%

For the period	FY21 \$m	2H21 \$m	1H21 \$m	FY20 \$m	FY21 v FY20
Operating revenue	640.6	359.9	280.6	490.5	31%
Total expenses	(469.4)	(260.9)	(208.5)	(350.9)	(34%)
Underlying profit before tax (UPBT)	171.2	99.0	72.1	139.6	23%
Tax expense	(47.1)	(27.5)	(19.6)	(41.0)	(15%)
<b>Underlying profit after tax (UPAT)<sup>1</sup></b>	<b>124.1</b>	<b>71.5</b>	<b>52.6</b>	<b>98.6</b>	<b>26%</b>
Significant items <sup>2</sup>	(49.2)	(25.8)	(23.4)	(16.6)	(197%)
<b>Net profit after tax (NPAT)</b>	<b>74.9</b>	<b>45.7</b>	<b>29.2</b>	<b>82.0</b>	<b>(9%)</b>
Diluted EPS on UPAT (cps) <sup>3</sup>	220.6	125.1	95.6	207.7	6%
Diluted EPS on NPAT (cps) <sup>3</sup>	133.2	80.1	53.0	172.8	(23%)
Dividends (cps)	180	96	84	155	16%
Return on equity on UPAT (%)	15.8	15.7	13.5	15.0	80bps
Return on equity on NPAT (%)	9.6	10.0	7.5	12.5	(290bps)

### Key highlights

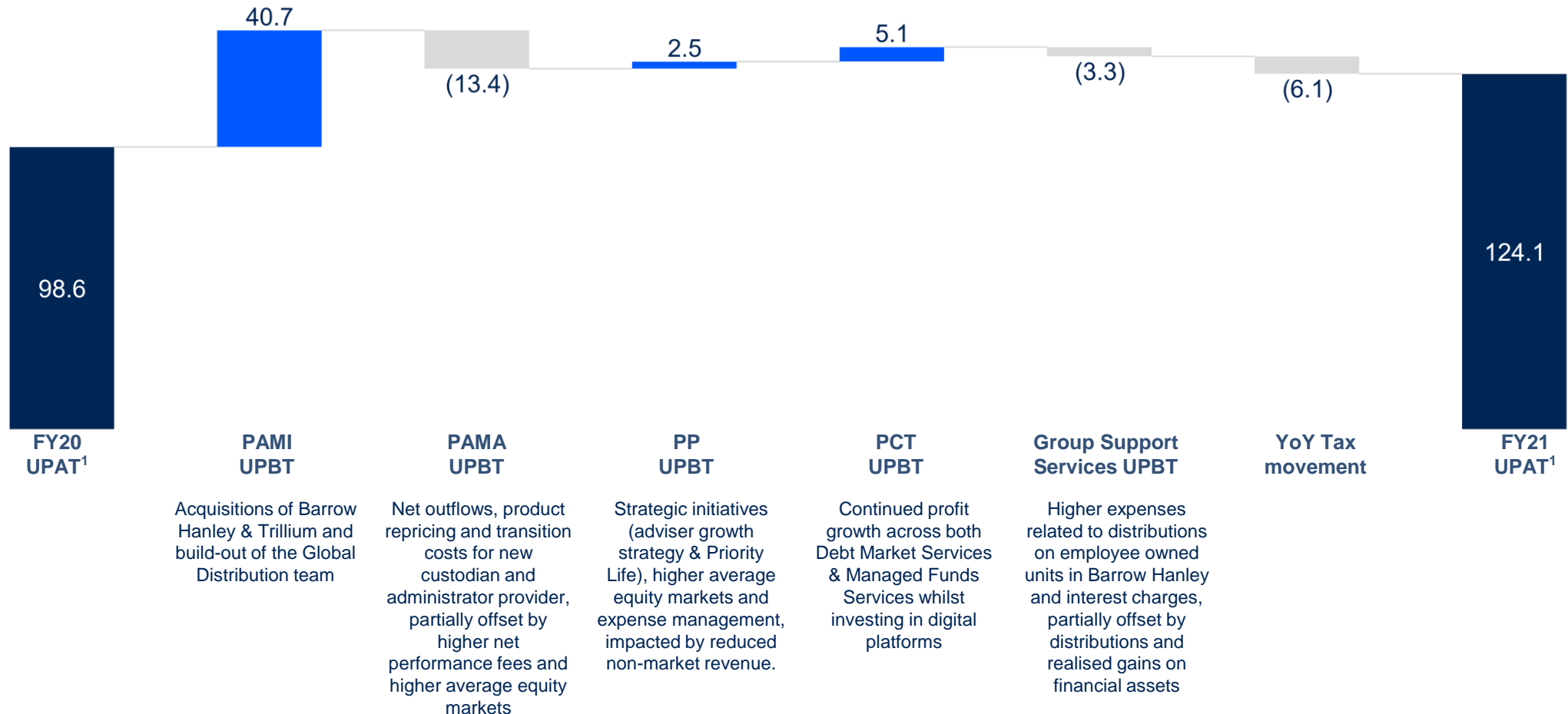
- Earnings accretive acquisitions of Barrow Hanley (17 November 2020) and Trillium (30 June 2020) have had a material impact on the Group's results
- Revenue growth of 31% primarily driven by newly formed PAMI division through completed acquisitions of Barrow Hanley and Trillium, higher performance fees and continued growth within PCT. This is partially offset by the impact of net outflows within PAMA
- Underlying expenses increased 3% mainly from higher variable remuneration & investment in technology, partially offset by operating model benefits. PAMI expenses, including operating costs associated with the acquisitions of Trillium and Barrow Hanley, added 31% to the cost base bringing total expense growth to 34%
- Significant items of \$49.2m mainly comprised of transaction and integration costs of the Barrow Hanley and Trillium acquisitions

1. Underlying profit after tax (UPAT) attributable to equity holders of Perpetual Limited. 2H20 and 1H20 UPAT has been re-presented based on the revised definition of UPAT (refer to page 52 in this presentation and Appendix A and Appendix B of the OFR for further details) 2. Significant items breakdown shown in Appendix A and Appendix B of the OFR and are shown net of tax 3. Fully diluted using the weighted average number of ordinary shares and potential ordinary shares on issue (FY21: 56,226,656)

# FY21 UPAT analysis

## 26% growth driven by acquisitions

Movement in underlying profit after tax (\$m)

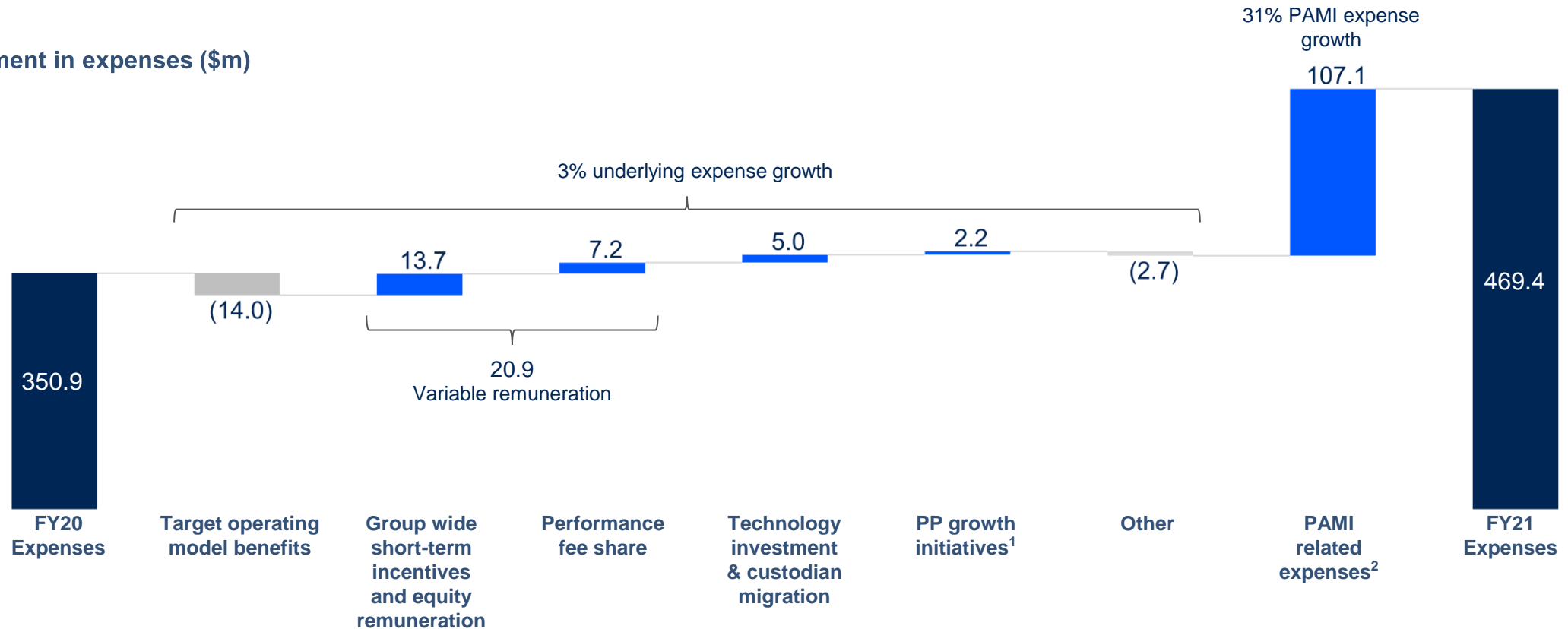


1. Post completion of Barrow Hanley acquisition in November 2020, the definition of UPAT was revised. For more information refer to slide 52 of this presentation for UPAT revised definition and Appendix A and Appendix B of the OFR for further details

# Expense analysis

## Disciplined expense growth in line with business performance improvement

Movement in expenses (\$m)

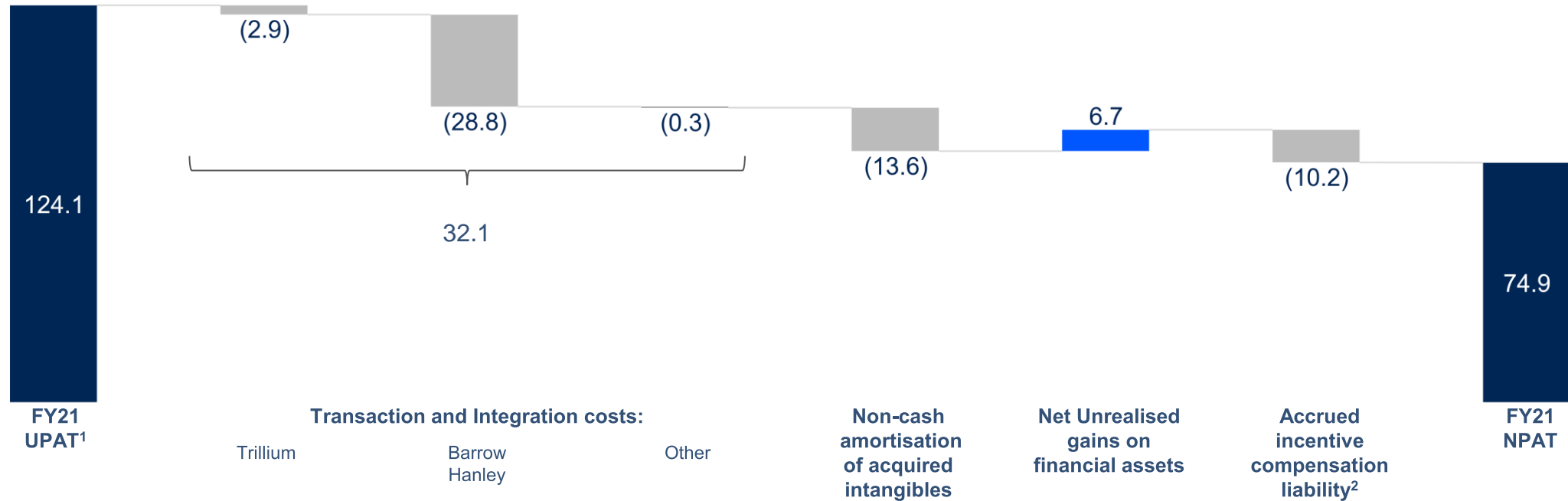


1. Initiatives include adviser growth strategy, Priority Life and family office 2. Includes Total Expenses of PAMI from Barrow Hanley and Trillium, the build-out of global distribution, additional distributions on employee owned units in Barrow Hanley and interest charges reported under Group Support Services

# UPAT to NPAT reconciliation

**\$49.2m of significant items mainly attributable to the acquisitions**

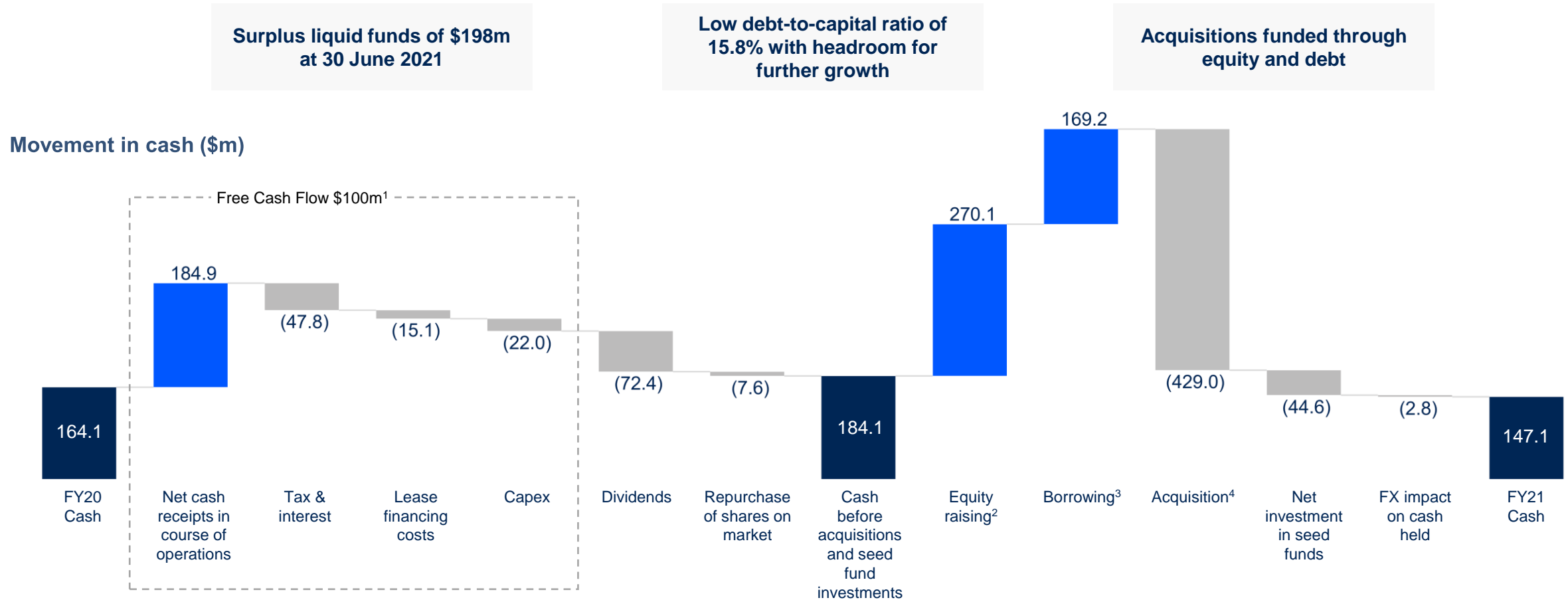
Movement in profit after tax (\$m)



1. Post completion of Barrow Hanley acquisition in November 2020, the definition of UPAT was revised. For more information refer to slide 52 of this presentation for UPAT revised definition and Appendix A and Appendix B of the OFR for further details 2. Relates to fair value movements on the accrued incentive compensation liability. This liability reflects the 25% of employee owned units in Barrow Hanley

# Cashflow analysis

Strong free cash flow funding disciplined growth investments and shareholder returns



1. Free Cash Flow includes net cash receipts in course of operations, less tax & interest, less lease financing costs less capex. Investing in product proceeds and payments have been included within net cash receipts in course of operations 2. Equity raising net of costs includes the equity raised under institutional share placement and share purchase plan 3. Borrowings net of cost comprised a new syndicated facility arrangement consisting of a multi-currency term loan and multi-currency revolving loan facilities 4. Includes Barrow Hanley upfront cash consideration and earn out and deferred consideration payments for Trillium, RFI Roundtables & Priority Life

# Balance sheet

## Minimal gearing with headroom for further growth

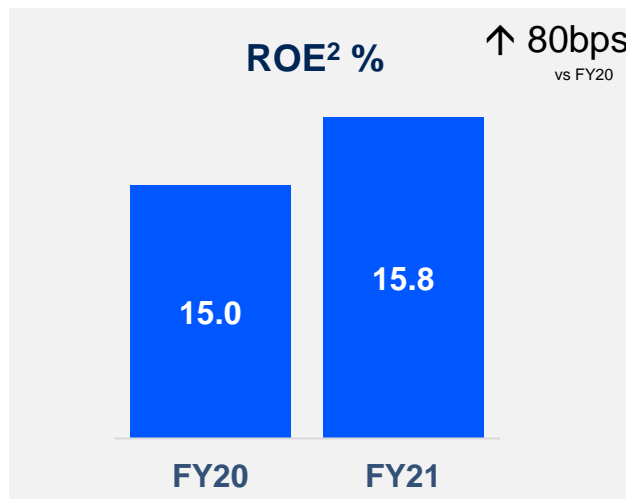
For the period	2H21 \$m	1H21 \$m	2H20 \$m	1H20 \$m
Cash	147.1	172.1	164.1	261.7
Liquid investments (FVTPL)	150.4	133.7	80.7	79.1
Goodwill & other intangibles	870.7	870.3	444.5	373.4
Other	456.4	489.2	479.8	490.9
<b>Total assets</b>	<b>1,624.6</b>	<b>1,665.3</b>	<b>1,169.1</b>	<b>1,205.1</b>
Borrowings (net of costs)	166.0	219.4	-	87.0
Other liabilities	546.1	539.8	514.8	454.2
<b>Total liabilities</b>	<b>712.1</b>	<b>759.2</b>	<b>514.8</b>	<b>541.2</b>
<b>Net assets</b>	<b>912.5</b>	<b>906.1</b>	<b>654.3</b>	<b>663.9</b>
Net Tangible Assets (NTA) per share (\$)	0.22	0.42	3.95	5.97

### Key movements vs 2H20

- Moderate decrease in **Cash**
- Increase in **Liquid investments** reflects an increase in seed fund investments relating to Barrow Hanley and Trillium
- Increase in **Goodwill and other intangibles** predominantly due to the acquisition of Barrow Hanley
- The increase in **Borrowings** reflects the draw down of \$170.3m debt to fund the acquisition of Barrow Hanley, partially offset with \$4.3m of capitalised debt costs



# Shareholder returns



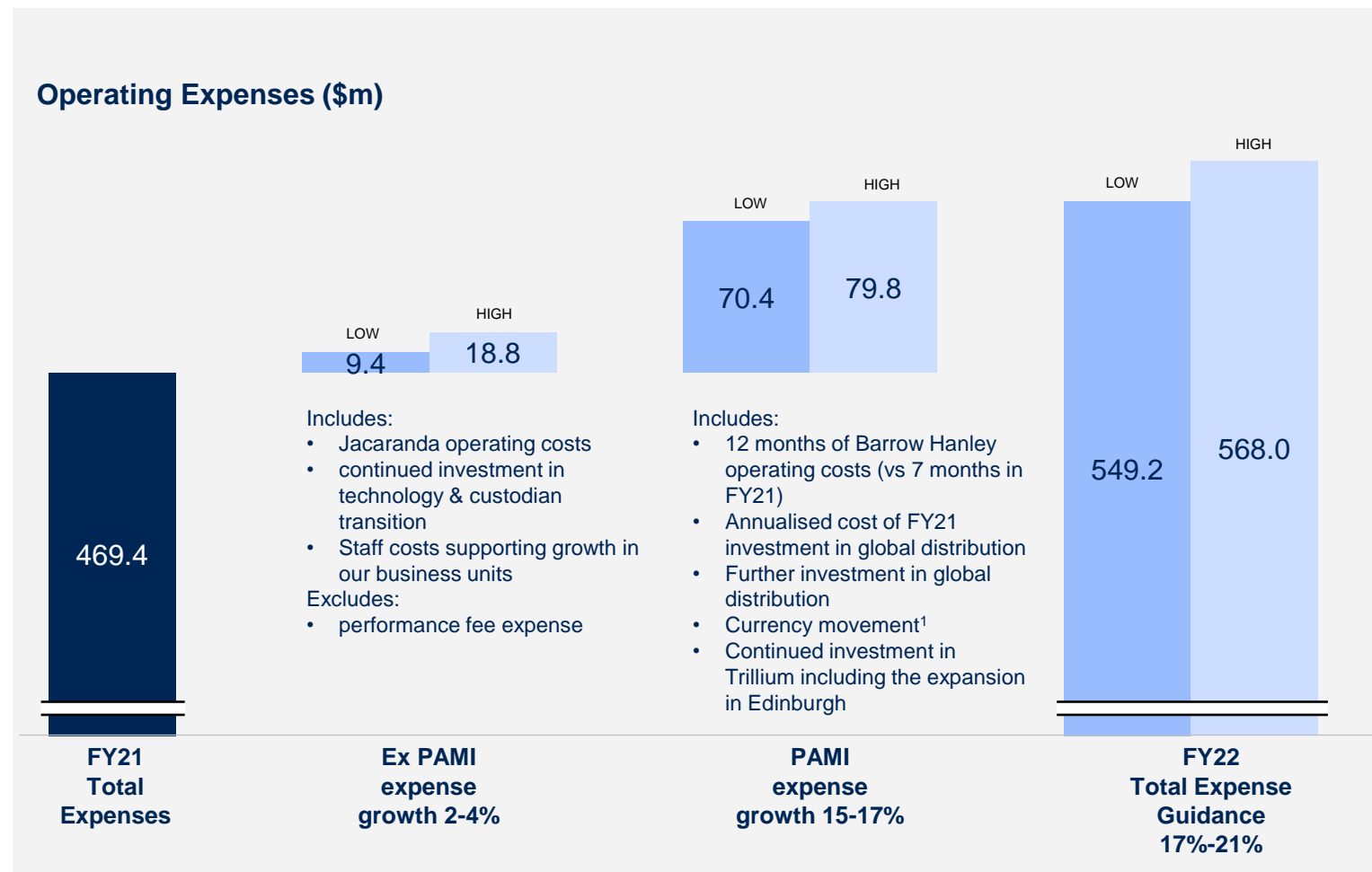
## Highlights

- Final fully franked ordinary dividend for 2H21 of **96 cents** per share in line with midpoint of our dividend policy with payout ratio of 76%<sup>3</sup>
- Total FY21 dividend for the year of **\$1.80** representing a payout ratio of 82%
- Dividend payable 24 September 2021

1. Diluted EPS on UPAT is calculated using the weighted average number of ordinary shares and potential ordinary shares on issue of 56,226,656 for FY21 (FY20: 47,797,356 shares) 2. ROE is calculated using UPAT attributable to equity holders of Perpetual Limited for the period, divided by average equity attributable to equity holders of Perpetual Limited over the period in order to arrive at an annualised ROE. The change on FY20 is shown in basis points 3. Dividends payable as a proportion of UPAT on ordinary fully paid shares at the end of each reporting period. Perpetual's dividend policy is to pay dividends within a range of 60% to 90% of UPAT on an annualised basis and maximising returns to shareholders.

# FY22 guidance

## Continuing to invest in our growth strategy



### Significant items

Significant items relating to transaction and integration costs as well as amortisation of acquired intangibles with range between \$35-39 million<sup>2</sup> after tax

### IFRIC treatment of capitalised cloud computing arrangements

IFRIC<sup>3</sup> agenda decision on the treatment of capitalised cloud computing arrangements as an intangible asset to be assessed and adopted by 31 December 2021. Changes that may result from the assessment are not included in the expense guidance

### Earnings

Renewed confidence and positive momentum across all operating divisions

12 month earnings contribution from Barrow Hanley

1. Assumes AUD:USD FX rate of 0.75 in FY22 2. Significant items guidance outlined above does not include unrealised gains/loss on financial assets and fair value movements associated with the Barrow Hanley accrued incentive compensation liability 3. Source: International Financial Reporting Standards Interpretations Committee

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# FY21 Divisional Update

Rob Adams

CEO and Managing Director

Trust is earned.



Perpetual 

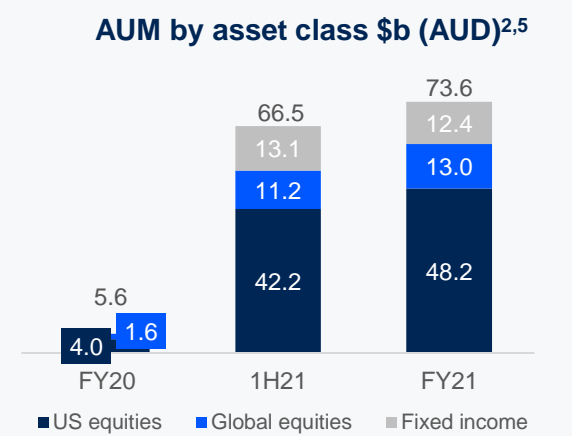
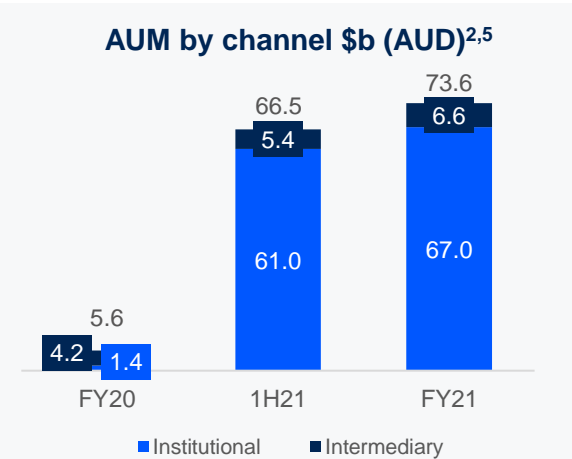
# Perpetual Asset Management International

## World-class investment and distribution capabilities



AUM	<b>\$73.6b</b>	large vs FY20
Revenue	<b>\$139.2m</b>	n/a vs FY20
Underlying profit before tax	<b>\$40.7m</b>	n/a vs FY20

- The financial performance includes Trillium (completion date of 30 June 2020) and Barrow Hanley (completion date of 17 November 2020)



### FY21 key highlights

- ✓ **Strong contribution** from acquisitions
  - ✓ Trillium AUM A\$7.7b increase of 37% (A\$2.1b) or in USD 50% increase (US\$1.9b) since acquisition<sup>1</sup>
  - ✓ Barrow Hanley AUM A\$66.1b increase of 7% or in USD 10% increase (US\$4.7b) since acquisition<sup>2</sup>
- ✓ Trillium named **Top 100 Impact Companies Globally and Best ESG Investment Integration 2020**<sup>3</sup>
- ✓ Global **governance and risk management framework** now embedded following acquisition completions
- ✓ **32 new strategies** added through Trillium and Barrow Hanley across asset classes, geographies and asset type

### FY22 outlook

- Planning a **suite of Barrow Hanley and Trillium UCITS** to serve UK, European and Asia based clients<sup>4</sup>
- Assessing **US intermediary opportunities** for Barrow Hanley
- Will add to **distribution** team as pipeline expands
- Continue to **add additional investment capabilities** to Trillium and Barrow Hanley
- US\$1.3b in **recent mandates** of which 50% already funded

1. Trillium AUM was A\$5.6b (US\$3.8b) on acquisition date 30 June 2020. See ASX announcement dated 30 June 2020. Total Trillium AUM and flows for the year are from all sources, across all regions 2. Barrow Hanley AUM was A\$66.1b (US\$ 45.0b) at exchange rate of AUD:USD 0.73 on acquisition date 17 November 2020. Refer to the ASX announcement dated 18 November 2021 3. See page 54 for full disclaimer 4. Subject to relevant regulatory approvals 5. Totals are subject to rounding

# Perpetual Asset Management Australia

## Strong investment performance across asset sectors

AUM  
**\$24.7b** ↑ 8%  
vs FY20

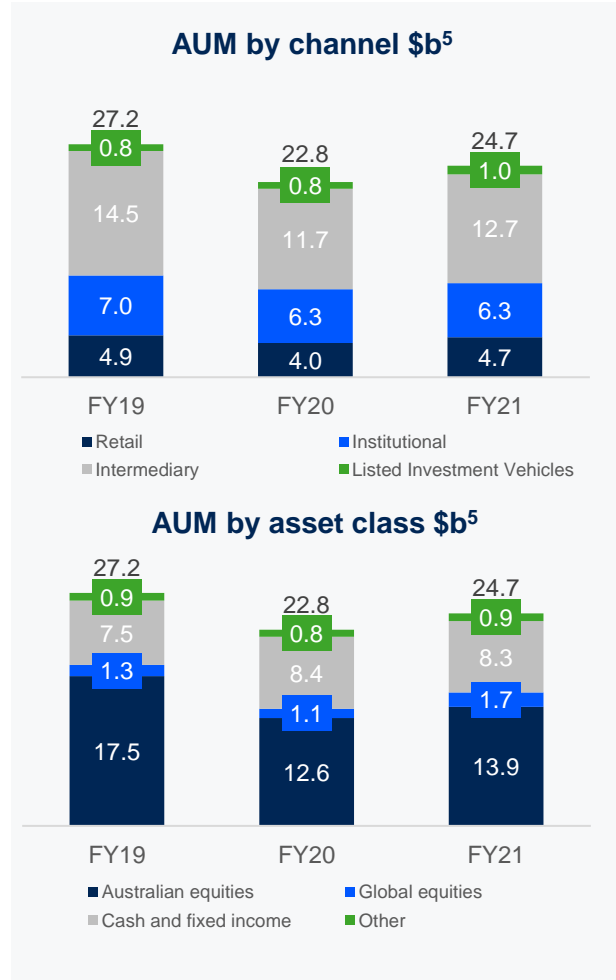
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Revenue  
**\$165.7m** ↓ 5%  
vs FY20

---

Underlying profit before tax  
**\$42.2m** ↓ 24%  
vs FY20

- 8% lift in AUM driven by positive investment markets and positive alpha generation, partially offset by net outflows
- 5% decrease in revenue mainly driven by lower average AUM due to the impact of net outflows and prior period distributions
- This was partially offset by higher equity performance fees and higher average markets



### FY21 key highlights

- ✓ All PAMA funds outperformed<sup>1</sup> over the year and net flows moved to positive in Q4 FY21
- ✓ Strong outperformance of all Australian equity funds over the year<sup>1</sup>
- ✓ Consistent long-term performance in Fixed Income and Credit with all funds outperforming across all time periods<sup>1</sup>
- ✓ Perpetual Diversified Real Return Fund won the Multi Asset - Real Return Category at the 2020 Zenith Fund Awards<sup>2</sup>
- ✓ Perpetual Global Innovation Share Fund outperforming its benchmark by 10.5% over 1 year and 13.7% pa over 3 years<sup>1</sup>
- ✓ Perpetual Ethical SRI Fund was the top performing Australian equities fund in its peer group<sup>3</sup>
- ✓ Perpetual Ethical SRI Credit Fund has reached its 3-year anniversary exceeding its benchmark by 2.05% pa<sup>1</sup>
- ✓ Completion of **\$30m equity raise** for Perpetual Equity Investment Company (ASX:PIC) and bonus 1:1 issue of options<sup>4</sup>

### FY22 outlook

- Expanding listed range with the intended launch of Active ETFs
- Given significant increase in capabilities, now focused on **contemporary solutions-based** opportunities
- Refreshed **advertising campaigns** across key performing funds
- Seeking to add further investment capabilities

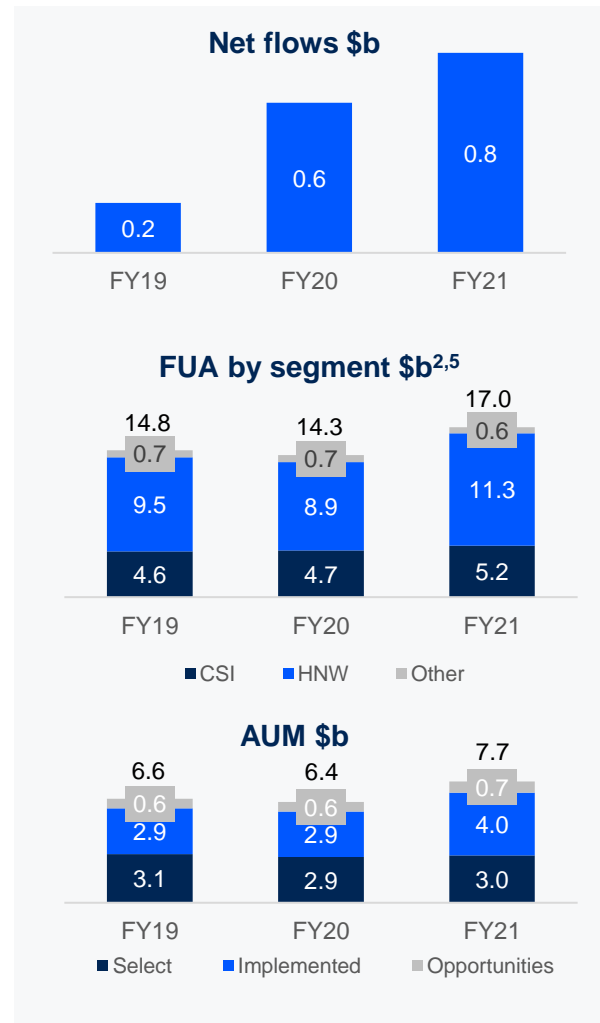
1. As at 30 June 2021. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au) for relevant performance. The product disclosure statements (PDS) of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. PAMA funds not for distribution or release in the United States. Refer to slide 45 for full disclosure 2. The Zenith Fund Awards were issued 30 October 2020 by Zenith Investment Partners (ABN 27 130 132 672, AFSL 226872) and are determined using proprietary methodologies. See page 56 for full Disclaimer 3. Mercer Investment Performance Survey of Australian Shares (RI) Sub Universe (Actual Ranking) See full disclosure on slide 54 4. See ASX announcement dated 21 June 2021 5. Totals are subject to rounding

# Perpetual Private

## Successful execution of adviser growth strategy drives record net flows



- FUA 19% higher primarily due to higher equity markets and positive flows supported by adviser growth strategy. Average FUA was 5% higher
- Revenue flat, with 4% increase in market revenues from higher average FUA, offset by 6% lower non-market revenues from lower interest rates and economic slowdown
- 8% UPBT growth driven by strategic initiatives (adviser growth strategy & Priority Life), higher average equity markets and expense management, impacted by reduced non-market revenue



### FY21 key highlights

- ✓ Record net flows of \$783m, including \$405m from adviser growth strategy in FY21 (delivered \$696m since commencement of strategy)
- ✓ New **family office** capabilities focused on ultra HNW clients
- ✓ **Noongar Boodja Trust** commenced in April, **the largest trust appointment** representing Aboriginal and Torres Strait Islander community interests in Perpetual's history<sup>1</sup>
- ✓ **Philanthropic FUA** \$3.3b up from \$2.7b pcp
- ✓ 27 new **Philanthropic Trusts and Endowments** established in FY21
- ✓ **Six of our advisers** recognised in The Australian/Barron's Top 100 Financial Advisers list<sup>3</sup>
- ✓ **Completed** repricing of Select Master trust

### FY22 outlook

- Completed **Jacaranda Financial Planning** acquisition and commenced geographic expansion of successful scalable model
- Continue **successful segment focus**, adding Aged Care as a priority
- Focus on improving adviser **efficiency** and delivering **improved operational leverage**
- Strong fourth quarter providing **good momentum** into FY22<sup>4</sup>

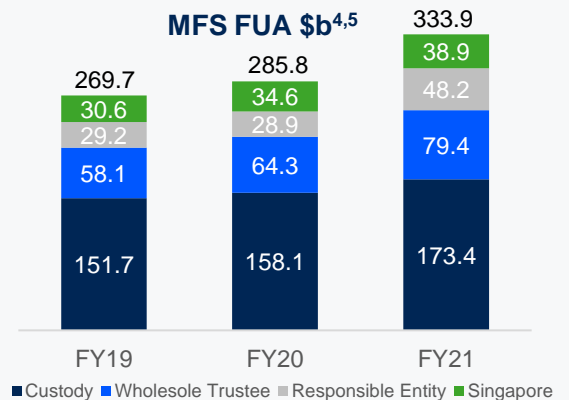
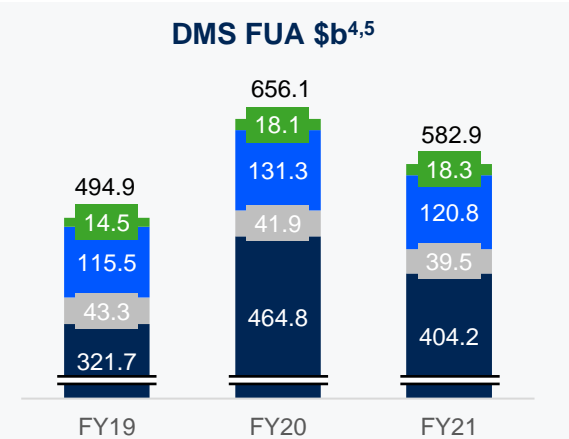
1. Refer to media release on 29 March 2021 from the Government of Western Australia 2. Community and Social Investments (CSI) includes philanthropic, native title and not-for-profit clients High Net Worth (HNW) includes business owners (Fordham referrals) and medical specialists clients. Other FUA includes Perpetual Plus and legacy products. 3. The Australian/Barron's Top 100 Adviser list, published in The Australian's The Deal magazine on 18 June 2021 4. Refer to Q4FY21 ASX announcement released on 23 July 2021 5. Totals may not sum due to rounding

# Perpetual Corporate Trust

High quality business that continues to deliver strong earnings growth

FUA	<b>\$922.8b</b>	↓ 2% vs FY20
Revenue	<b>\$134.9m</b>	↑ 7% vs FY20
Underlying profit before tax	<b>\$63.8m</b>	↑ 9% vs FY20

- FUA 2% lower due to lower RMBS Bank issuance and Repo, offset by growth in MFS
- DMS revenue growth of 7% mainly driven by growth in Non-Bank RMBS
- MFS revenue growth of 8% driven by growth from both local and overseas clients
- Operating leverage driving continued profit growth of 9% whilst investing in digital platforms



## FY21 key highlights

- ✓ MFS Responsible Entity solutions **attracting new domestic and global clients** with a **67% increase** in FUA
- ✓ **MFS completed 143** transactions and added **43 new clients**
- ✓ **DMS completed 89** securitisation transactions and **added 22 new clients**
- ✓ **Strong client retention**, top 20 clients have been with PCT for over 10 years
- ✓ **DAS** with a **record client advocacy NPS of +76<sup>1</sup>** and **PCT +58**
- ✓ **Developed and launched** Fiduciary Intelligence cloud-based solution, streamlining our monitoring activities and information flow
- ✓ **PCT** named “**Trustee of the Year**” for 5<sup>th</sup> consecutive year<sup>2</sup>
- ✓ Responsible Entity (RE) during the sale of Vitalharvest Freehold Trust as it went through a competitive bidding process of 19 offers

## FY22 outlook

- Banks expected to access funding through securitisation markets
- DAS new **Treasury and Finance** Intelligence digital products due for launch in FY22, with positive client interest and mandates
- **Digital transformation strategy** upgrading legacy payments and registry technology on track for completion in FY23
- Active M&A pipeline to **deliver new capabilities** and markets

# Managed Funds Services

High tenure of quality clients and a growing client base

Anchorage  
CAPITAL PARTNERS

AVIVA  
INVESTORS

BARWON

BRIGHTLIGHT

First Sentier  
Investors

FIFECAPITAL

KARST PEAK  
CAPITAL

Montaka  
Global Investments

OPAL  
CAPITAL MANAGEMENT

OPHIR

ORCA  
FUNDS MANAGEMENT

Plenti

QUALITAS

RUFFER

TOTUS CAPITAL

Wheelhouse  
PARTNERS

XPLORE  
WEALTH

Managed Funds Services comprise of wholesale trustee, custody and responsible entity services, plus product extensions Investment Management, Accounting and Fordham Accounting



# Debt Markets Services and Data and Analytics Solutions

Strong activity in non-bank sector driving growth

## Bank



Two transactions  
\$2b



One transaction  
\$1b



One transaction  
\$300m



One transaction  
\$1b



One transaction  
\$1b

## Non-Bank



Three transactions  
\$1.95b



One transaction  
\$190m



One transaction  
\$500m



Two transactions  
\$975m



Four transactions  
\$2.7b



One transaction  
\$300m



Five transactions  
\$6.1b



One transaction  
\$450m



Two transactions  
\$510m



Two transactions  
\$1.75b



Seven transactions  
\$4.35b



Two transactions  
\$600m



Two transaction  
\$1b



Two transactions  
\$950m



Five transactions  
\$5.5b



Two transactions  
\$800m

Securitisation services include trustee, security trustee, document custody, custody services  
Perpetual Data and Analytics Solutions include Data Services and Perpetual Intelligence platform-as-a-service

# Key priorities for FY22

## Continued execution of strategy to drive sustained quality growth



### Client first

Exceptional products  
Outstanding service

- ❑ Deliver contemporary investment solutions – Active ETFs, ESG development, adding new strategies
- ❑ Investment in refreshed marketing across key high-performing capabilities
- ❑ Enhance and embed our corporate sustainability strategy
- ❑ Deliver improved digital client experience through innovation and digital solutions
- ❑ Continue focus on service excellence



### Future fit

Empowering our people  
to deliver high performance

- ❑ Continue to develop global operating model to drive efficiencies and support expected global growth
- ❑ Deliver cloud-based infrastructure, creating a more agile and scalable operating platform
- ❑ Continue to embed global governance and risk frameworks
- ❑ Invest in a culture of diversity, inclusion and high performance
- ❑ Implement future ways of working to support engagement and productivity



### New horizons

New capabilities  
Global footprint

- ❑ Further build-out of global distribution teams and supporting infrastructure across US, UK, Europe and Asia
- ❑ Continued investment in new product and channel development across all regions
- ❑ Build-out additional investment capabilities for both Trillium and Barrow Hanley
- ❑ Leverage and expand Jacaranda Financial Planning's unique distribution model
- ❑ Continue focus on inorganic opportunities to add further capabilities and additional growth potential across all divisions

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# Summary

## Execution of strategy driving sustainable growth



### Unique portfolio of businesses

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- High quality businesses well-positioned for future growth
- M&A agenda adding capability, new exposure and further growth potential
- Benefitting from increased ESG focus across all divisions



### Executing well on strategy

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- Strategy to build a global asset management business well underway and delivering strong results
- All divisions executing on strategy, building positive growth momentum
- Strong balance sheet and financial flexibility
- Focused on delivering operational leverage across all divisions



### Disciplined investment in quality growth opportunities

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- Focus on new product and channel development, as a solutions based global partner
- Solid M&A pipeline with a proven track record of success

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# Q&A

**Rob Adams**  
CEO and Managing Director

**Chris Green**  
Chief Financial Officer

A photograph showing Rob Adams and Chris Green in a professional setting. Rob Adams, on the left, is wearing a dark blue top and has short, curly dark hair. Chris Green, on the right, is wearing a light blue button-down shirt and has short dark hair. They are both smiling and looking towards each other, appearing to be in a conversation. The background is slightly blurred, showing what looks like an office or meeting space with large windows.

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# Thank you.

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# Contacts

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& Investor Relations

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🌐 [barrowhanley.com](http://barrowhanley.com)

🌐 [trilliuminvest.com](http://trilliuminvest.com)

🌐 [linkedin.com/company/perpetual-limited/](https://www.linkedin.com/company/perpetual-limited/)

🐦 [twitter.com/perpetual\\_ltd](https://twitter.com/perpetual_ltd)

## About Perpetual

Perpetual Limited (ASX:PPT) is an ASX-listed, diversified financial services company, which has been serving clients since 1886. Across our four businesses: Perpetual Asset Management Australia, Perpetual Asset Management International, Perpetual Corporate Trust and Perpetual Private, we aim to protect and grow our clients' wealth, knowing that by doing so we can make a difference in their lives. We have been earning the trust of our clients for more than 130 years and pride ourselves on our long-standing client relationships – Trust is earned, every day.

For further information, go to [www.perpetual.com.au](http://www.perpetual.com.au)

Perpetual's Head Office is located in Sydney New South Wales with offices in Australian Capital Territory, Victoria, South Australia, Western Australia, Queensland, Chicago, Singapore and Amsterdam.

Trillium's offices are located in Boston, San Francisco, Portland, London, Edinburgh.

Barrow Hanley offices are located in Dallas and Hong Kong



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# Appendix

## Detailed divisional result commentary



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# Perpetual Asset Management International

## Barrow Hanley and Trillium acquisitions completed

For the period	FY21 \$m	2H21 \$m	1H21 \$m	FY20 \$m
Revenue	139.2	100.9	38.3	-
Operating expenses	(95.8)	(69.4)	(26.3)	-
EBITDA	43.4	31.5	11.9	-
Depreciation & amortisation	(1.7)	(0.9)	(0.8)	-
Equity remuneration	(0.4)	0.2	(0.6)	-
Interest expense	(0.6)	(0.5)	(0.1)	-
<b>Underlying profit before tax</b>	<b>40.7</b>	<b>30.3</b>	<b>10.5</b>	-
PBT Margin on revenue (%)	29	30	27	-
Closing AUM (\$b)	73.6	73.6	66.5	5.6
Average AUM (\$b)	45.6	70.1	21.0	-
Net flows (\$b)	(3.9)	(3.2)	(0.7)	-
Average AUM revenue margin (bps)	30	29	36	-

### Key movements

- The financial performance includes Trillium (completion date of 30 June 2020) and Barrow Hanley (completion date of 17 November 2020)
- In FY21, Perpetual Asset Management International reported Underlying profit before tax of \$40.7 million. FY21 revenue was \$139.2 million and FY21 total expenses were \$98.4 million



# Perpetual Asset Management Australia

## Lower revenue due to net outflows and prior period distributions

For the period	FY21 \$m	2H21 \$m	1H21 \$m	FY20 \$m	FY21 v FY20
Revenue <sup>1</sup>	165.7	86.6	79.1	173.5	(5%)
Operating expenses	(112.5)	(57.4)	(55.1)	(104.5)	(8%)
EBITDA <sup>1</sup>	53.2	29.2	24.0	69.0	(23%)
Depreciation & amortisation	(5.3)	(2.7)	(2.6)	(6.4)	18%
Equity remuneration	(5.7)	(2.8)	(2.9)	(6.8)	17%
Interest expense	(0.1)	0.0	(0.1)	(0.1)	54%
<b>Underlying profit before tax<sup>1</sup></b>	<b>42.2</b>	<b>23.7</b>	<b>18.5</b>	<b>55.6</b>	<b>(24%)</b>
PBT Margin on revenue (%)	25	27	23	32	(7)
Closing AUM (\$b) <sup>2</sup>	24.7	24.7	22.7	22.8	8%
Average AUM (\$b) <sup>2</sup>	23.5	23.5	23.4	25.0	(6%)
Net flows (\$b)	(2.8)	(0.3)	(2.5)	(2.6)	(6%)
Average AUM revenue margin (bps)	71	74	68	69	2

### Key movements

- 5% decrease in revenue compared with FY20 mainly driven by lower average AUM due to the impact of net outflows and prior period distributions, partially offset by higher equity performance fees and higher average equity markets
- 5% increase in Total expenses on FY20 due to higher variable remuneration and costs related to the transition of its custodian and administrator provider, partially offset by synergies resulting from the creation of Perpetual Asset Management International and FY20 operating model benefits

# Perpetual Private

## Positive growth in adviser inflows, non-market impacted by economic slowdown

For the period	FY21 \$m	2H21 \$m	1H21 \$m	FY20 \$m	FY21 v FY20
Market related revenue	126.7	65.6	61.1	122.1	4%
Non-market related revenue	57.1	29.0	28.1	60.9	(6%)
Total revenues	183.8	94.5	89.2	183.0	-
Operating expenses	(134.2)	(67.9)	(66.3)	(135.3)	1%
EBITDA	49.6	26.7	23.0	47.7	4%
Depreciation & amortisation <sup>1</sup>	(10.5)	(5.0)	(5.5)	(10.7)	2%
Equity remuneration	(3.5)	(1.9)	(1.7)	(3.4)	(3%)
Interest expense	(0.6)	(0.1)	(0.5)	(1.0)	43%
<b>Underlying profit before tax<sup>1</sup></b>	<b>35.0</b>	<b>19.7</b>	<b>15.3</b>	<b>32.6</b>	<b>8%</b>
PBT Margin on revenue (%)	19	21	17	18	1
Closing FUA (\$b)	17.0	17.0	15.5	14.3	19%
Average FUA (\$b)	15.4	16.1	14.7	14.7	5%

### Key movements

- Market related revenue 4% higher than FY20 due to higher average equity markets and positive net flows, partially offset by legacy product repricing and lower fiduciary income fees
- Non-market related revenue 6% lower than FY20 mainly driven by the impact of lower interest rates and the economic slow-down on Fordham and transactional revenue, particularly in 1H20, partially offset by Priority Life (acquisition completed November 2019)
- Total expenses were 1% lower than FY20 due to the impact of operating model benefits and lower remediation costs related to legacy matters, partially offset by continued investment in supporting future business growth, such as adviser growth strategy, Priority Life and family office services
- Closing FUA was 19% higher than FY20, primarily due to higher equity markets and by positive net flows, supported by the adviser growth strategy

1. FY20 Depreciation and amortisation and Underlying profit before tax have been re-presented based on the revised definition of UPAT (refer to Appendix A and Appendix B of the OFR for further details)

# Perpetual Corporate Trust

## Solid growth in revenue and profit before tax

For the period	FY21 \$m	2H21 \$m	1H21 \$m	FY20 \$m	FY21 v FY20
Debt Markets Services revenue	75.0	38.2	36.9	69.9	7%
Managed Funds Services revenue	59.8	31.0	28.8	55.6	8%
Total revenues	134.9	69.2	65.6	125.5	7%
Operating expenses	(60.9)	(31.5)	(29.3)	(58.2)	(5%)
EBITDA	74.0	37.7	36.3	67.3	10%
Depreciation & amortisation <sup>1</sup>	(8.6)	(4.2)	(4.4)	(7.1)	(21%)
Equity remuneration	(1.2)	(0.7)	(0.5)	(1.0)	(11%)
Interest expense	(0.4)	(0.2)	(0.2)	(0.5)	16%
<b>Underlying profit before tax<sup>1</sup></b>	<b>63.8</b>	<b>32.6</b>	<b>31.2</b>	<b>58.6</b>	<b>9%</b>
PBT Margin on revenue (%)	47	47	48	47	-
Closing FUA (\$b) – Debt Markets Services	582.9	582.9	628.3	656.1	(11%)
Closing FUA (\$b) – Managed Funds Ser.	339.9	339.9	307.9	285.8	19%

### Key movements

- Debt Markets Services revenue growth of 7% compared to FY20 driven by underlying growth in securitisation revenue particularly from RMBS non-bank clients and in lower margin RMBS repos due to bank clients' access to the RBA's term funding facility, partially offset by lower securitisation revenue from RMBS bank clients
- Managed Funds Services revenue growth of 8% compared to FY20 driven by growth from both local and overseas clients for custodian services, responsible entity and wholesale trustee. This was also supported by higher asset prices
- 6% increase in Total expenses on FY20 due to costs supporting increased client volumes, higher variable remuneration and investment in digital platforms

1. FY20 Depreciation and amortisation and Underlying profit before tax have been re-presented based on the revised definition of UPAT (refer to Appendix A and Appendix B of the OFR for further details)

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# Appendix

## Perpetual Asset Management performance charts



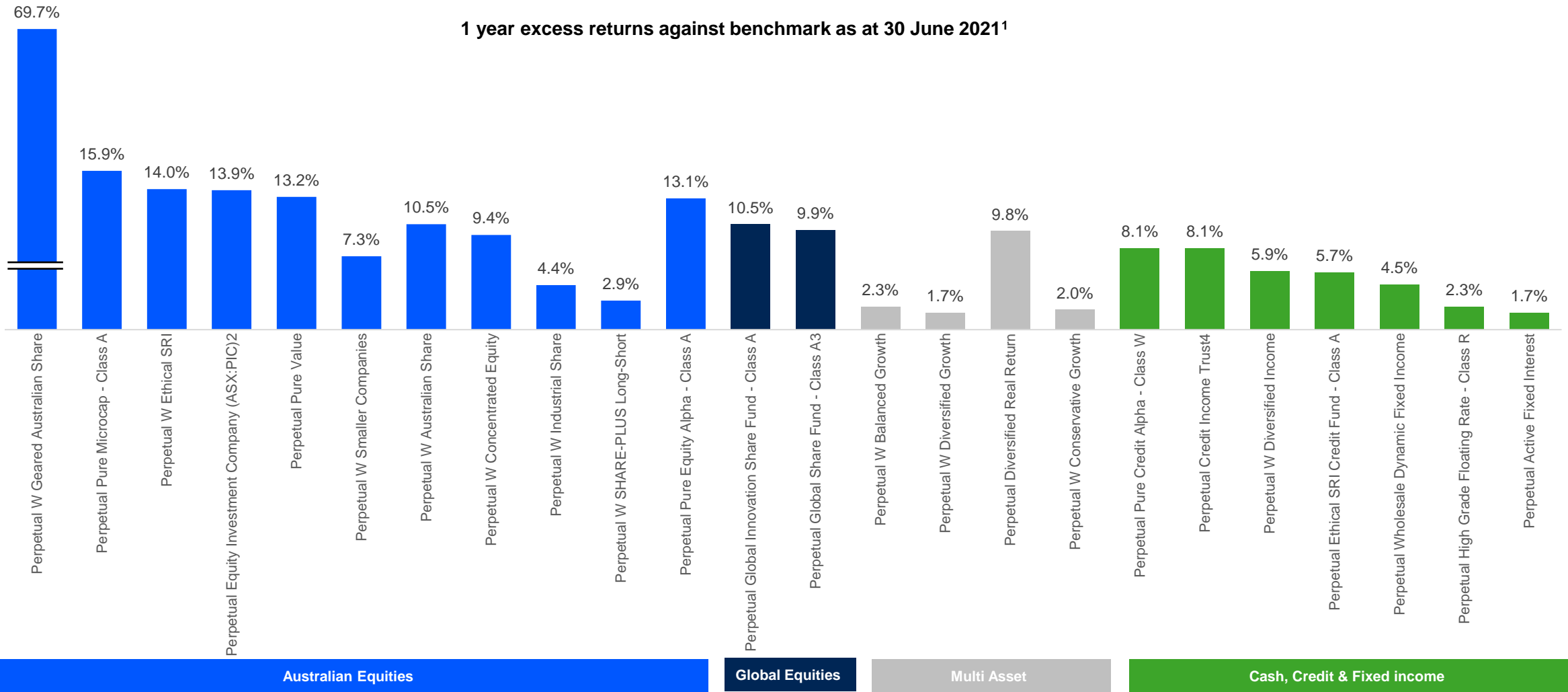
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# PAMA net investment performance as at 30 June 2021



All funds outperformed their benchmarks over the year



1. Refer to slide 46 for multi-year performance and full disclosure

# PAMA net performance as at 30 June 2021

## All funds outperformed over the year



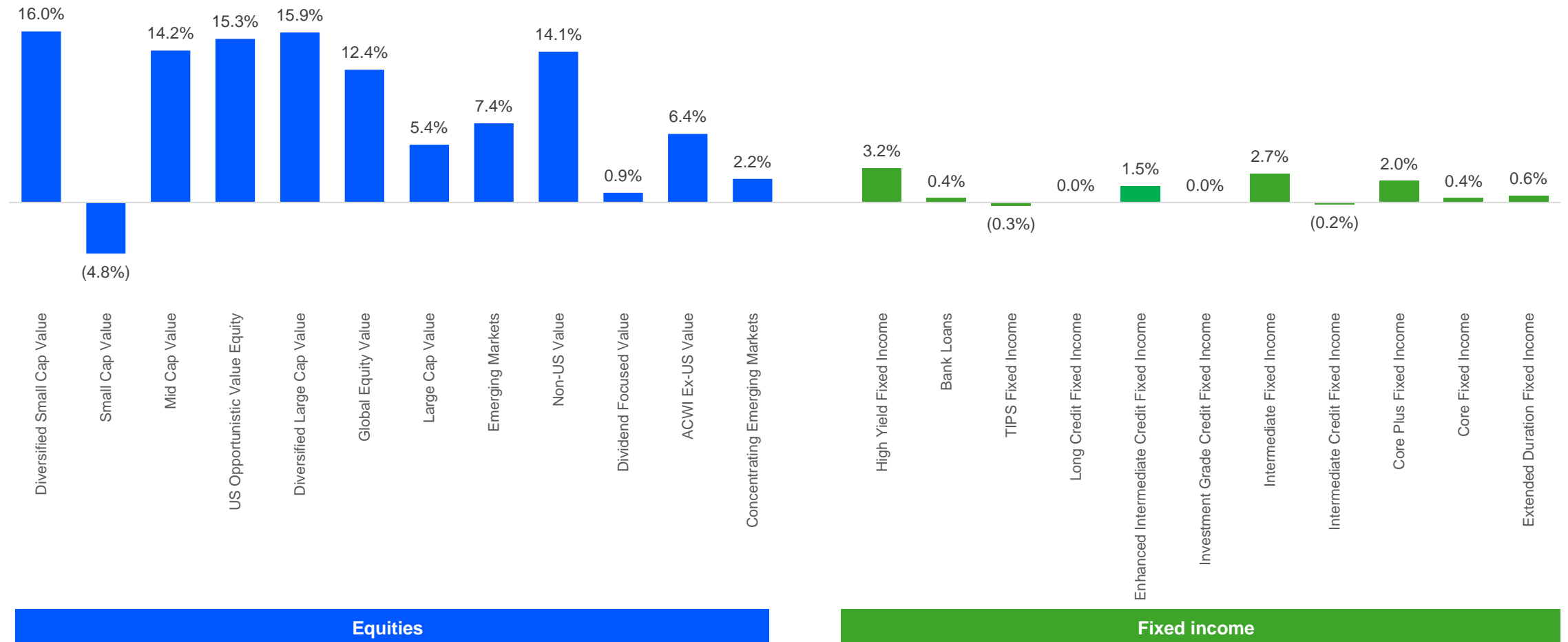
	Fund	Benchmark	Annualised performance (%) <sup>1</sup>						Excess returns above benchmark (%) <sup>1</sup>					
			1 yr	2 yr	3 yr	5 yr	7 yr	10 yr	1 yr	2 yr	3 yr	5 yr	7 yr	10 yr
Australian equities	Perpetual W Australian Share	S&P/ASX 300 Accum.	39.0	11.8	9.7	9.9	7.3	8.9	10.5	2.8	(0.0)	(1.4)	(1.6)	(0.3)
	Perpetual W Concentrated Equity	S&P/ASX 300 Accum.	37.9	8.5	7.1	9.4	7.0	9.2	9.4	(0.5)	(2.7)	(1.8)	(1.9)	0.0
	Perpetual W Ethical SRI	S&P/ASX 300 Accum.	42.5	14.3	9.0	9.4	9.0	12.0	14.0	5.3	(0.7)	(1.9)	0.1	2.8
	Perpetual W Geared Australian Share	S&P/ASX 300 Accum.	98.1	10.7	10.1	14.1	8.4	12.4	69.7	1.7	0.3	2.8	(0.5)	3.2
	Perpetual W Industrial Share	S&P/ASX 300 Industrials Accum.	32.4	8.5	7.1	8.2	6.6	9.7	4.4	(0.2)	(2.2)	(1.5)	(2.3)	(1.6)
	Perpetual W SHARE-PLUS Long-Short	S&P/ASX 300 Accum.	31.4	10.6	7.9	10.2	8.3	11.1	2.9	1.6	(1.9)	(1.1)	(0.6)	1.9
	Perpetual W Smaller Companies	S&P/ASX Small Ordinaries Accum.	40.6	19.5	13.1	12.7	11.5	11.1	7.3	7.4	4.5	1.5	1.4	5.1
	Perpetual Pure Equity Alpha - Class A	RBA Cash Rate Index	13.2	9.0	6.0	6.7	6.2		13.1	8.6	5.2	5.7	4.8	
	Perpetual Pure Microcap - Class A	S&P/ASX Small Ords Accum Index	49.1	20.6	11.9	11.7	17.8		15.9	8.5	3.3	0.4	7.7	
	Perpetual Pure Value	S&P/ASX 300 Accum.	41.7	18.2	8.7	9.8	9.2	11.3	13.2	9.2	(1.1)	(1.4)	0.3	2.1
Perpetual Equity Investment Company (ASX:PIC) <sup>2</sup>	S&P/ASX 300 Accum Index	42.4	18.6	13.6	14.1			13.9	9.7	3.9	2.8			
Global equities	Perpetual Global Share Fund - Class A <sup>3</sup>	MSCI World Net Accum Index AUD\$ Unhedged	37.5	14.6	13.1	14.7			9.9	(1.0)	(1.2)	0.1		
	Perpetual Global Innovation Share Fund - Class A	MSCI AC World NR \$A (unhedged)	38.2	37.6	27.7				10.5	22.4	13.7			
	Trillium ESG Global Equity Fund - Class A <sup>4</sup>	MSCI AC World NR \$A (unhedged)												
	Trillium Global Sustainable Opportunities Fund - Class A <sup>4</sup>	MSCI World Net Accum Index AUD\$ Unhedged												
Multi Asset	Perpetual W Balanced Growth	Balanced Growth Index	21.8	9.0	8.6	8.3	7.2	8.6	2.3	(0.0)	(0.8)	(1.3)	(1.5)	(0.4)
	Perpetual W Conservative Growth	Conservative Growth Index	9.6	5.0	5.7	5.3	4.9	6.1	2.0	0.3	(0.2)	(0.4)	(0.7)	(0.1)
	Perpetual W Diversified Growth	Moderate Growth Index	15.1	6.9	7.2	6.8	6.1	7.4	1.7	0.0	(0.6)	(1.0)	(1.2)	(0.3)
	Perpetual Diversified Real Return	Australian CPI	10.9	5.8	5.7	5.5	5.0	6.4	9.8	4.1	4.1	3.8	3.4	4.6
Credit and Fixed income	Perpetual W Diversified Income	Bloomberg AusBond Bank Bill Index	5.9	3.3	3.3	3.6	3.5	4.3	5.9	2.8	2.3	2.4	1.9	2.1
	Perpetual Active Fixed Interest	Bloomberg AusBond Composite Index	0.8	2.2	4.7	3.8	4.6	5.7	1.7	0.6	0.5	0.7	0.5	0.8
	Perpetual Pure Credit Alpha - Class W	RBA Cash Rate Index	8.3	3.7	3.8	4.6	4.6		8.1	3.3	3.0	3.5	3.2	
	Perpetual Wholesale Dynamic Fixed Income	Blended Bloomberg AusBond Bank Bill and Bloomberg A	4.1	3.0	3.7	3.6	3.7	4.7	4.5	1.9	1.1	1.4	0.8	1.1
	Perpetual High Grade Floating Rate - Class R	Bloomberg AusBond Bank Bill Index	2.4	2.0	2.3	2.6	2.7	3.5	2.3	1.5	1.4	1.3	1.1	1.3
	Perpetual Credit Income Trust (ASX:PCI) <sup>2</sup>	RBA Cash Rate Index	8.3	4.1					8.1	3.7				
	Perpetual Ethical SRI Credit Fund - Class A	Bloomberg AusBond Bank Bill Index	5.7	3.0	3.0				5.7	2.5	2.1			

Source: Perpetual, RBC and FactSet as at 30 June 2021. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au) for relevant performance. The product disclosure statements (PDS) of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. PAMA funds not for distribution or release in the United States 1. Returns have been calculated using exit prices after taking into account all ongoing fees, and assuming reinvestment of distributions. No allowance has been made for entry fees, exit fees or where applicable taxation. Returns on a Fund can be particularly volatile in the short term and in some periods may be negative 2. Returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management fees) and assuming reinvestment of dividends and/or distributions on the ex date and excluding tax paid. Any provisions for deferred tax on unrealised gains and losses are excluded 3. From 9 September 2020 Barrow Hanley replaced Perpetual Investment Management Limited as the Manager of the Global Share Fund 4. Inception date for both Trillium Funds is 4 August 2020 and therefore one year or longer performance data not yet available

# PAMI investment performance as at 30 June 2021

78% of Barrow Hanley strategies outperformed over one year

1 year excess returns against benchmark as at 30 June 2021<sup>1</sup>



1. Refer to slide 48 for multi-year performance and full disclosure



# PAMI investment performance as at 30 June 2021

## Strong rebound in Barrow Hanley relative performance

	Strategy	Benchmark	Annualised performance (%) <sup>1</sup>				Excess returns above benchmark (%) <sup>1</sup>			
			1 yr	3 yr	5 yr	10 yr	1 yr	3 yr	5 yr	10 yr
Equities	Large Cap Value	Russell 1000 Value - Total Return	49.1	14.1	13.7	12.1	5.4	1.7	1.8	0.5
	Diversified Large Cap Value	Russell 1000 Value - Total Return	59.6	14.6	14.8	12.6	15.9	2.2	3.0	1.0
	Dividend Focused Value	Russell 1000 Value - Total Return	44.6	9.3	10.4	11.0	0.9	(3.2)	(1.5)	(0.6)
	Mid Cap Value	Russell Midcap Value - Total Return	67.2	13.7	13.4	11.8	14.2	1.9	1.6	0.1
	Small Cap Value	Russell 2000 Value - Total Return	68.5	13.0	16.7	13.1	(4.8)	2.8	3.1	2.2
	Diversified Small Cap Value	Russell 2000 Value - Total Return	89.3	11.3	14.4	12.9	16.0	1.0	0.8	2.0
	US Opportunistic Value Equity	Russell 3000 Value - Total Return	60.7	14.8	14.4	12.3	15.3	2.6	2.4	0.7
	Non-U.S. Value	MSCI EAFE Value - Net Return	47.6	8.3	10.8	5.5	14.1	4.5	3.0	1.7
	Global Value Equity	MSCI World Index Value - Net Return	50.3	12.2	15.2	10.0	12.4	3.8	5.4	2.3
	Emerging Markets	MSCI EM (Emerging Markets) Value - Net Return	49.0	9.7	12.0		7.4	1.9	2.3	
	Concentrated Emerging Markets	MSCI EM (Emerging Markets) Value - Net Return	43.8	15.0			2.2	7.2		
	ACWI Ex-US Value	MSCI AC World ex USA Value - Net Return	44.0	8.9	9.2		6.4	3.7	0.7	
	Fixed Income	Core Fixed Income	Bloomberg Barclays US Aggregate	0.1	6.0	3.4	3.8	0.4	0.6	0.4
Core Plus Fixed Income		Bloomberg Barclays US Aggregate	1.7	6.6	4.0	4.1	2.0	1.2	1.0	0.7
Intermediate Fixed Income		Bloomberg Barclays US Intermediate Aggregate	2.7	6.0	3.6	3.4	2.7	1.6	1.1	0.7
Short Maturity Fixed Income		Bloomberg Barclays US Aggregate Government & Credit (1-3 Y)	1.6	3.5	2.3	1.8	1.1	0.6	0.4	0.3
Investment Grade Credit Fixed Income		Bloomberg Barclays US Corporate Investment Grade	3.3	8.4	5.3	5.5	0.0	0.6	0.4	0.4
Long Credit Fixed Income		Bloomberg Barclays US Aggregate Credit - Long	4.3	12.0	7.4	7.9	(0.0)	1.3	0.8	0.4
Long Govt/Credit Fixed Income		Bloomberg Barclays US Aggregate Government & Credit - Long	1.0	11.8	6.7	7.9	2.9	1.9	1.3	0.7
High Yield Fixed Income		ICE BofA US High Yield (BB-B) (USD Unhedged)	16.7	9.3	8.0	6.8	3.2	1.9	1.0	0.3
Bank Loans		Credit Suisse Leveraged Loan Index - Gross Return	12.1	5.3			0.4	0.9		
TIPS Fixed Income		Bloomberg Barclays US Treasury Inflation Protected Notes (TIPS)	6.2	6.3	4.0	3.4	(0.3)	(0.3)	(0.1)	(0.0)
Intermediate Credit Fixed Income		Bloomberg Barclays US Aggregate Credit - Intermediate	2.1	6.2	3.8	4.0	(0.2)	0.4	0.2	0.2
Enhanced Intermediate Credit Fixed Income		Bloomberg Barclays US Aggregate Credit - Intermediate	3.8	6.7	4.4		1.5	0.9	0.8	
Extended Duration Fixed Income		Bloomberg Barclays US Treasury Strips (20+ Y)	(13.4)	10.1	4.3	10.9	0.6	(0.0)	0.4	0.5

Source: Barrow Hanley as at 30 June 2021

1. Reflects gross performance (unless otherwise stated) of 25 key investment strategies. Future returns may bear no relationship to the historical information displayed. The returns shown represent past returns only and are not indicative of future returns of a Strategy. Returns on a Strategy can be particularly volatile in the short term and in some periods may be negative. 3yr and 5yr returns are annualised. Not for distribution in the United States.

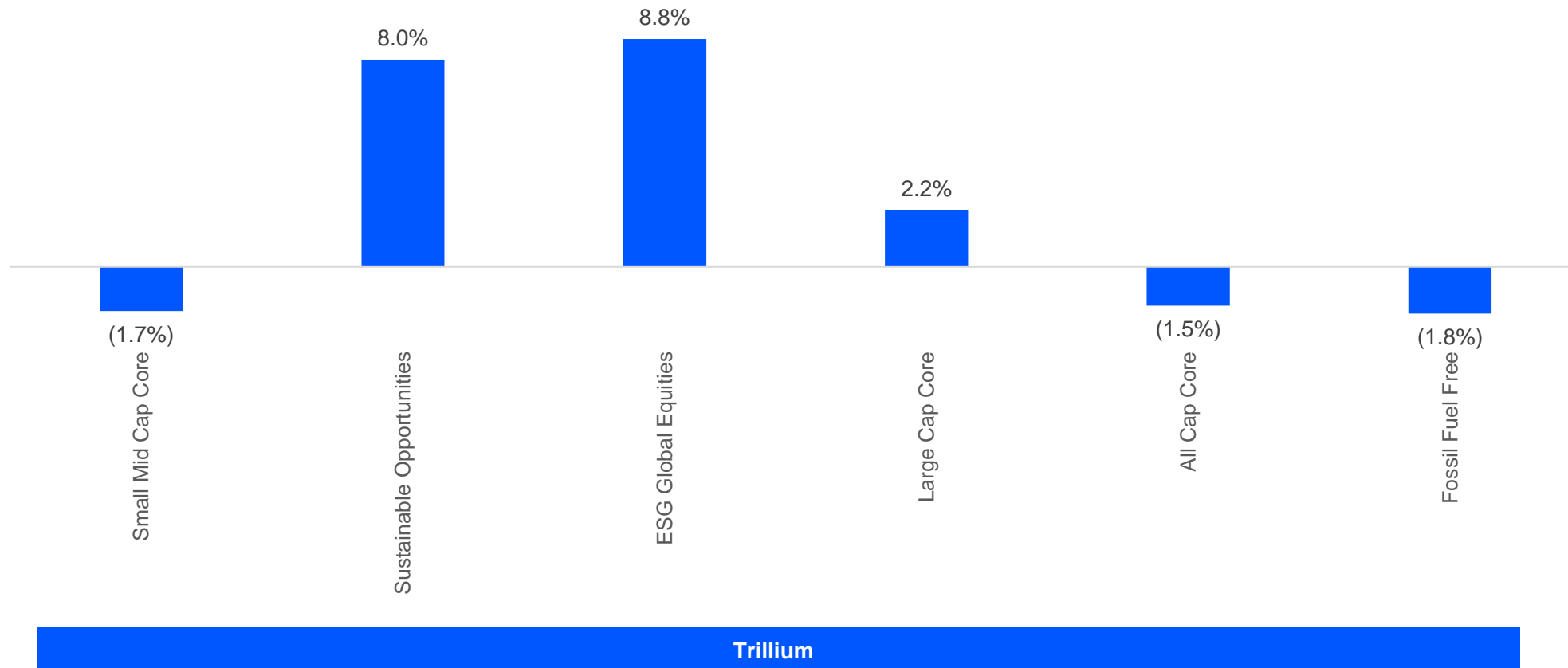


# PAMI investment performance as at 30 June 2021

## Continuation of solid performance for Trillium



1 year excess returns against benchmark as at 30 June 2021<sup>1</sup>



1. Refer to slide 50 for multi-year performance and full disclosure

# PAMI investment performance as at 30 June 2021

## Continuation of solid performance for Trillium



### Trillium 30 June 2021 Performance against benchmark

	Strategy	Benchmark	Annualised performance (%) <sup>1</sup>				Excess returns above benchmark (%) <sup>1</sup>			
			1 yr	3 yr	5 yr	10 yr	1 yr	3 yr	5 yr	10 yr
Trillium	ESG Global Equities	MSCI ACWI NR USD	48.0	20.1	18.6	12.3	8.8	5.5	4.0	2.4
	Sustainable Opportunities	S&P 1500	50.1	23.3	21.2	13.6	8.0	5.2	3.8	(1.0)
	Fossil Fuel Free	S&P 1500	40.3	19.1	17.9	14.2	(1.8)	1.0	0.6	(0.4)
	Large Cap Core	S&P 500	43.0	20.8	18.9	14.4	2.2	2.1	1.3	(0.5)
	Small Mid Cap Core	S&P 1000	55.7	14.4	16.1	12.4	(1.7)	1.6	1.4	(0.3)
	All Cap Core	S&P 1500	40.6	17.9	17.3	13.3	(1.5)	(0.2)	(0.1)	(1.3)

Source: Trillium performance data as at 30 June 2021

1. Reflects preliminary gross composite performance (unless otherwise stated) of investment strategies and may change. Future returns may bear no relationship to the historical information displayed. The returns shown represent past returns only and are not indicative of future returns of a Strategy. Returns on a Strategy can be particularly volatile in the short term and in some periods may be negative. 3yr and 5yr returns are annualised. Not for distribution or release in United States

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# Appendix

## Other



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# Definitions

## Change in UPAT<sup>1</sup>

- Revised definition of UPAT to reflect the changes to the Group's operating cashflows from both existing and future opportunities
- From FY21, NPAT will be adjusted for four types of significant items:
  1. those that are material in nature and in Perpetual's view do not reflect normal operating activities;
  2. non-cash tax-effected amortisation of acquired intangibles;
  3. tax-effected unrealised gains/losses on financial asset<sup>2</sup>; and
  4. accrued incentive compensation liability.

Adjusting items will be clearly defined, consistently applied and disclosed in accordance with ASIC Regulatory Guide 230 – Disclosing “non-IFRS financial information”

Additional information can be found in the Appendix A & B of the Full Year 2021 Operating and Financial Review

## Dividend settings

- The Board's current policy is that from FY21 future dividends will be paid on the revised UPAT metric
- The range on which future dividends are expected to be paid is 60-90% of UPAT

1. UPAT is attributable to shareholders of Perpetual. UPAT is not subject to audit by the Group's external auditors, however the adjustments (actual and proposed) will be extracted from the books and records that will be subject to audit 2. Excludes unrealised gains/losses on financial assets held as a hedge to the investing in Products Scheme

# Definitions

Term	Definition
\$A/AUD	Australian Dollar
FY19	Full Year ended 30 June 2019
FY20	Full Year ended 30 June 2020
FY21	Full Year ended 30 June 2021
ABN	Australian Business Number
ADI	Authorised Deposit –Taking institution
ANZ	Australia and New Zealand
ASX	Australian Securities Exchange
AUM	Assets under management
B	Billion
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Cps	Cents per share
DPS	Dividend per share
DRP	Dividend Reinvestment Plan
EBIT	Earnings before interest and tax

Term	Definition
EBITDA	Earnings before interest, tax, depreciation and amortisation of intangible assets, equity remuneration expense, and significant items
EPS	Earnings per share
ESG	Environmental, Social and Governance
FUA	Funds Under Advice/Administration
Group	Perpetual Limited and its controlled entities (the consolidated entity) and the consolidated entity's interests in associates
HNW	High net worth
M	Million
NPBT	Net profit before tax
NPAT	Net profit after tax
NTA	Net tangible asset
NPS	Net Promoter Score
OFR	Operating and Financial Review
PAMA	Perpetual Asset Management Australia
PAMI	Perpetual Asset Management International

Term	Definition
PCT	Perpetual Corporate Trust
PP	Perpetual Private
RMBS	Residential mortgage-backed securities
RBA	Reserve Bank of Australia
RMF	Risk Management Framework
ROE	Return on Investment
RSE	Registrable Superannuation Entity
SREIT	Singapore real estate investment trust
UCITS	Undertakings for the Collective Investments in Transferrable Securities
UK	United Kingdom
UPAT	Underlying profit after tax
UPBT	Underlying profit before tax
US	United States
USD	US Dollars
YoY	Year on Year

# Disclaimer

## Important information

This presentation has been prepared by Perpetual Limited ABN 86 000 431 827 (Perpetual). It is general information on Perpetual and its subsidiaries (Perpetual Group) current as at 19 August 2021.

It is in summary form and is not necessarily complete. It should be read together with the company's consolidated financial statements lodged with the ASX on 19 August 2021. The information in this presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account your financial objectives, situation or needs. Investors should obtain their own professional advice in connection with any investment decision.

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Underlying profit after tax (UPAT) attributable to equity holders of Perpetual Limited reflects an assessment of the result for the ongoing business of the Group as determined by the Board and management. UPAT has been calculated with regard to ASIC's Regulatory Guide 230 Disclosing non-IFRS financial information. UPAT attributable to equity holders of Perpetual Limited has not been reviewed or audited by the Group's external auditors, however the adjustments to NPAT attributable to equity holders of Perpetual Limited have been extracted from the books and records that have been reviewed by the external auditor. UPAT is disclosed as it is useful for investors to gain a better understanding of Perpetual's financial results from normal operating activities.

Nothing in this presentation should be construed as either an offer to sell or solicitation of an offer to buy or sell Perpetual Limited securities or units in any fund referred to in this presentation in any jurisdiction. The Product Disclosure Statement (PDS) for these funds are issued by Perpetual Investment Management Limited. The applicable PDS should be considered before deciding whether to acquire or hold units in a fund and can be obtained by calling 1800 022 033 or visiting our website [www.perpetual.com.au](http://www.perpetual.com.au)

All references to currency in this presentation are to Australian currency, unless otherwise stated.

Certain figures may be subject to rounding differences.

Note: FY21 refers to the financial reporting period for the twelve months ended 30 June 2021 with similar abbreviations for previous and subsequent periods. FY20 refers to the financial reporting period for the twelve months ended 30 June 2020 with similar abbreviations for previous and subsequent periods. FY19 refers to the financial reporting period for the twelve months ended 30 June 2019 with similar abbreviations for previous and subsequent periods.

Disclosure: Real Leaders "Top Impact Companies" Award 2021 The Real Leaders "Top Impact Companies" award is not indicative of the future performance of Trillium Asset Management. Past performance is not a guarantee of future results. The Real Leaders Impact Awards rank nominated companies based on their Force for Good score, 3-year x revenue x growth. Trillium ranked #57 of 150 companies. Real Leaders reviewed applications from over 1,000 companies. The Real Leaders Impact Awards require applicants to pay a fee for submitting their application. Trillium paid a required application fee of \$75 to Real Leaders.

Disclosure: The CFI.co Best ESG Investment Integration Award is not indicative of the future performance of Trillium Asset Management. Past performance is not a guarantee of future results. Companies were nominated based on a wide variety of criteria including, but not limited to, recognition of the relevance for investors of environmental, social and governance (ESG) factors, global view acknowledging the full spectrum of risks and opportunities, alignment of financial performance and wider impact, and ethical business behaviour. CFI.co reviewed 1,859 independent nominations for asset managers in the US for this award. Trillium did not pay a fee for consideration or nomination for this award.

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# Key dates for the remainder of 2021

Payment of FY21 Final Dividend - Friday 24 September 2021

Perpetual Annual General Meeting - Thursday 21 October 2021

Perpetual Investor Day - Wednesday 10 November 2021

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This timetable is indicative only and may be subject to change. Perpetual reserves the right to amend any of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other appropriate laws

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