

Perpetual Investments

PERPETUAL WHOLESALE FUNDS

7 September 2020



APPOINTMENT OF BARROW HANLEY AS INVESTMENT MANAGER

On 31 August 2020, Perpetual Investment Management Limited ('Perpetual') appointed specialist investment manager Barrow, Hanley, Mewhinney & Strauss, LLC ('Barrow Hanley') to manage the Perpetual Wholesale Global Share Fund ('Fund'). Barrow Hanley is a diversified investment manager with funds under management of A\$63.9 billion across 21 key strategies, as at 30 June 2020. This appointment is consistent with Perpetual's previous notification to investors on 27 July 2020.

An external transition manager has been appointed to assist with the transition of the Fund's assets to Barrow Hanley, with the goal of minimising transition costs. It is anticipated the transition will be completed on or around 9 September 2020 upon which Barrow Hanley will commence managing the Fund.

CHANGES TO THE INVESTMENT PROFILE

A summary of the changes to the "Fund profile" of the Fund reflecting the appointment of Barrow Hanley is as follows:

	CURRENT DISCLOSURE	NEW DISCLOSURE
Investment Manager	This information is not currently provided in the Fund profile.	Barrow, Hanley, Mewhinney & Strauss, LLC ('Barrow Hanley')
Investment Approach	<p>Perpetual aims to achieve the Fund's investment objectives by:</p> <ul style="list-style-type: none">adopting a 'bottom-up' stock selection approach to investing, where the decision to buy or sell is based on fundamental quality and valuationconstructing a portfolio that is benchmark independent in terms of stock and sector weights, although the Fund's performance is measured against the MSCI World Net Total Return Index (AUD) for the purpose of reporting and determining whether performance fees are payableadding value from the portfolio manager's high conviction approach to stock selection.	<p>Barrow Hanley strives to achieve the Fund's investment objectives by adopting a value-oriented, bottom-up investment process focused on in-depth fundamental research to identify companies that trade below their intrinsic value for reasons that they can identify, believe are temporary and have a clearly identified path to achieving fair value.</p> <p>Barrow Hanley aims to select the most attractive securities to construct a well-diversified, high active share portfolio that provides asymmetrical returns by participating in up markets while protecting in down markets. The portfolio will exhibit a clear value bias and seek characteristics such as 1) price/earnings ratios below the market, 2) price/book ratios below the market, 3) enterprise value/free cash flow ratios below the market and 4) dividend yields above the market.</p>

Currency hedging can be used with the aim of protecting the value of the Fund's assets.

Derivatives may be used in managing the Fund.

The Fund will primarily invest in companies incorporated in developed markets and may hold up to 20% of the portfolio in companies incorporated in emerging markets.

The portfolio has no direct tobacco stock exposure.

The currency exposure in the Fund is unhedged.

Investment Guidelines	Global Shares	75-100%	Global Shares	95-100%
	Cash	0-25%	Cash	0-5%

CHANGES TO BUY/SELL SPREADS FROM BARROW HANLEY MANAGING THE FUND.

We are pleased to inform you the Buy/Sell Spread of the Fund will reduce following Barrow Hanley commencing management of the Fund, on or around 9 September 2020.

	CURRENT DISCLOSURE	NEW DISCLOSURE
Buy/Sell Spread	0.27%/0.27%	0.175%/0.125%

CHANGES TO FEES FROM 1 OCTOBER 2020

The proposed reduction in the management fee of the Fund and removal of the performance fee associated with the Fund will take effect on and from 1 October 2020 to enable the operational implementation of these changes to occur.

	CURRENT DISCLOSURE	FROM 1 OCTOBER 2020
Management Fee	1.10%	0.99%
Performance Fee	The daily performance fee is equal to 15.00% of the difference between the daily return and the performance hurdle multiplied by the Fund's adjusted net asset value	Not applicable.

FURTHER INFORMATION

If you have any questions, please speak to your financial adviser, email investments@perpetual.com.au or phone us on 1800 022 033.

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* Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.

MORE INFORMATION

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