

## Portfolio Factsheet

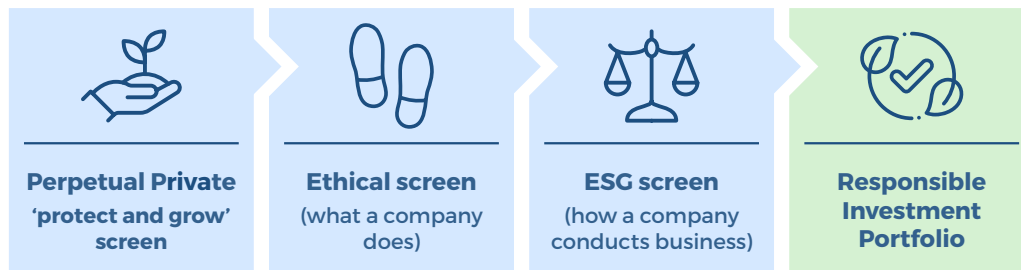
# Perpetual Direct Equities Responsible Investment Portfolio

## Portfolio at a glance

### Investment objective

The Perpetual Direct Equities Responsible Investment Portfolio aims to outperform the benchmark over rolling five year periods through investing in quality companies from the ASX300 that have been assessed to meet certain Environmental, Social and Governance (ESG) and ethical criteria.

### Key features



<b>Benchmark</b>	S&P/ASX300 TR Index
<b>Inception date</b>	30 June 2015
<b>Typical number of holdings</b>	20-30 stocks
<b>Typical tracking error range</b>	5-7% p.a.
<b>Typical turnover range</b>	20-40% of the portfolio. This figure may be higher or lower depending on the market environment

## About the portfolio

The Direct Equities Responsible Investment Portfolio is managed using Perpetual Private's time-tested investment philosophy – we seek to 'protect, then grow' client's investments. The portfolio is built on the core principles of **quality, value** and **active management** combined with our Responsible Investment criteria and active screening processes outlined below:

**Ethical screen** – A company is excluded from the investment universe if it generates 5% or more of revenue (in aggregate) from the following areas:

- Alcohol
- Armaments<sup>^</sup>
- Animal welfare concerns
- Tobacco<sup>^</sup>
- Fossil fuel production
- Predatory lending practices
- Gambling
- Nuclear power
- Pornography

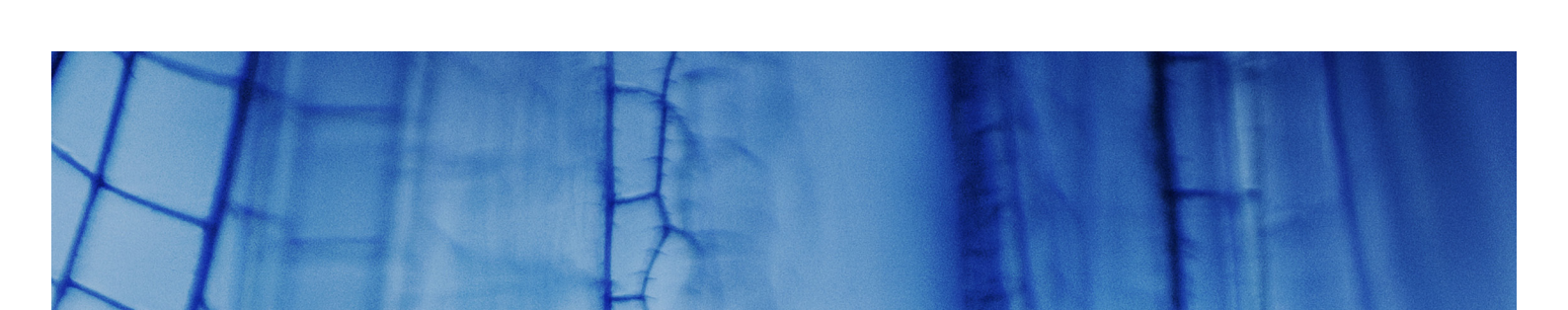
<sup>^</sup> For involvement in the production of tobacco, manufacture of nicotine alternatives and tobacco-based products and the development, production and maintenance of controversial weapons, a 0% revenue threshold is applied.

### Portfolio Manager



**Daniel Nelson, CFA**  
Daniel holds the CFA Institute Certificate in ESG Investing.





**ESG screen** – Companies are evaluated and scored on a broad range of ESG factors such as a company’s policy and strategy towards carbon emissions, waste management, modern slavery, community relations, board composition, tax transparency and business ethics. We seek to invest in those companies that score above average relative to peers.

## Risks

All investments carry risk, for example market and economic risk where certain events may have a negative effect on the price of the stocks in the portfolio. These events may include changes in social or political conditions, as well as market sentiment, the causes of which may include changes in governments, wars, social unrest, pandemics and natural disasters. The impacts of such events can be highly unpredictable, which may give rise to increased or prolonged market volatility. Your financial adviser can assist you in understanding the full risk profile of the portfolio and whether the portfolio is suited to your financial needs.

## Benefits of investing with Perpetual Private

- **Purpose built for managed accounts** – the portfolio has low turnover and is supported by tools and communications to provide investors with transparency on portfolio decisions and outcomes.
- **Responsible Investment assurance** – all stocks selected must meet our quality selection criteria and satisfy our strict Responsible Investment criteria.
- **Well credentialed, specialist investment team** managing and monitoring the portfolio with a strong, established performance track record.
- **Trusted brand and process** – our heritage of over 130 years and our origins as a trustee business contribute to our deep understanding of what it means to be a fiduciary of others’ assets.

## Portfolio suitability

The portfolio is designed for investors who are conscious of the social and ethical implications of where their money is invested, are less benchmark conscious and have a minimum investment timeframe of five years or longer.

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## More information

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