

Perpetual Ethical SRI Fund (Managed Fund)

ASX:GIVE

The Perpetual Ethical SRI Fund (Managed Fund) is an exchange traded managed fund designed for investors who have a medium to longer term investment horizon and are seeking long-term capital growth and regular income through investment predominantly in quality shares of Australian ethical and socially responsible companies, as part of a diversified portfolio.



A new way to access Perpetual's proven active management expertise

The Perpetual Ethical SRI Fund (Managed Fund) (ASX:GIVE) is a unit class in the Perpetual Ethical SRI Fund and is quoted and traded on the ASX as an Exchange Traded Managed Fund (ETMF).

GIVE provides investors access to a portfolio of 30 – 80 high quality stocks and aims to provide long-term capital growth and regular income through investment predominantly in quality shares of Australian ethically and socially responsible companies.

The fund is actively managed and draws on the expertise of Perpetual's highly experienced Australian Equities team. With a focus on finding the best opportunities, GIVE can invest in a broad range of companies, including those not held in the S&P/ASX 300 Accumulation Index. The ability to invest in smaller companies provides another potential source of returns.

Why Invest in GIVE

- ▶ In one trade, you can invest in GIVE and have access to an actively managed portfolio of high quality ethical, environmental, and socially responsible investments.
- ▶ An ethical and socially responsible investment screening process seeks to identify quality companies that have satisfied our range of ethical, environmental, and socially responsible investment criteria.
- ▶ Actively managed fund that is managed by one of our experienced portfolio managers who leverage the full resources of our large investment and analyst teams.
- ▶ Ease of access as you can purchase and sell units in GIVE through licensed brokers without lengthy paperwork and there is no set minimum investment amount.

Investment philosophy

- ▶ Perpetual Asset Management is a fundamental, bottom-up stock picker, meaning that we find attractive investment opportunities by visiting and understanding companies.
- ▶ We operate a Quality and Value-based investment process. In practical terms the benefits to investors are that we avoid poor quality stocks that appear cheap and we have a strong buy and sell discipline that assists performance.
- ▶ This process is combined with independent screening to ensure the companies held in the fund have satisfied our range of ethical and socially responsible investment criteria.
- ▶ Our analyst team, who on average, have nineteen years' experience, generate proprietary investment ideas.
- ▶ The fund has the benefit of moving into or out of small and large cap stocks depending on relative opportunities.
- ▶ The fund is focussed on investing in the best opportunities, and usually finds these away from the mainstream and away from companies that are heavily represented in market Indexes.



Our Process

The process is based on extensive bottom up fundamental company research and active stock selection focusing on quality, undervalued companies, with ethical SRI screening.

Perpetual Quality Universe



Ethical Screen (What a company does)

Company revenue is screened for the following activities:

- | | |
|---------------------------------------|---|
| Alcohol | Fossil fuels (upstream) |
| Gambling | Genetic engineering |
| Tobacco* | Pornography |
| Uranium and nuclear | Animal cruelty
(cosmetic testing) |
| Armaments* (including weapons) | |

Companies with 5% or more, and in some circumstances 0%, of their revenue derived from these activities fail the Ethical Screen and are excluded from the investable ethical universe.

*A 0% revenue threshold is applied to companies involved in the production of tobacco, tobacco-based products and the development and production of controversial weapons.



SRI Screen (How they do it)

Performance across areas such as:

- | | |
|-----------------------------|-----------------------------|
| Environment | Labour standards |
| Human rights | Supply chain |
| Renewable energy use | Corporate governance |
| Product impacts | Corporate misconduct |

Companies are scored (positively or negatively) on their approach to or involvement in various the SRI issues, which are not scored uniformly but instead on the severity of the issue involved.

Companies with a negative total score fail the SRI Screen and are excluded from the investable ethical universe.

Companies that have met Perpetual's Quality Universe criteria, pass **both** the Ethical Screen and SRI Screen are selected for inclusion within the Ethical Universe.

The fund can only invest in companies within the Ethical Universe.

Ethical SRI Universe

Key Facts

ASX Code

GIVE

Registered managed investment scheme

Perpetual Ethical SRI Fund – ARSN 099 975 041

Investment Objective

The fund aims to provide long-term capital growth and regular income through investment predominately in quality shares of Australian ethical and socially responsible companies and to outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.

Investment approach

Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:

- conservative debt levels
- sound management
- quality business and
- recurring earnings.

In addition to the above investment approach, Perpetual utilises a strategy for screening ethical and socially responsible investments (see 'Environmental, social, governance and ethical factors' in the 'Additional investment information' section).

The Fund may have up to 20% exposure to investments in international shares.¹

Derivatives may be used in managing the Fund.²

Portfolio Manager



Nathan Hughes

Benchmark

S&P/ASX 300 Accumulation Index

Investment guidelines

Australian shares	90–100%
Cash	0–10%
Maximum offshore listed stock	20%
Inception date of strategy	April 2002 (original Class A units)
Distributions	Half-yearly 30 June and 31 December
Management fee (% pa)	0.65%
Performance fee (% pa)*#	15% (outperformance of the S&P/ASX 300 Accumulation Index)
Number of stocks	30–80

Certifications

RIAA certification:



CERTIFIED BY RIAA

UNPRI signatory:

Signatory of:



RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and the Perpetual Ethical SRI Credit Fund's methodology, performance and stock holdings can be found at www.responsiblereturns.com.au, together with details about other responsible investment products certified by RIAA.[^]

[^] The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.



Why invest with Perpetual?

As one of Australia's longest serving and most trusted investment managers, our longstanding commitment is to deliver superior outcomes over the long-term for our clients. We have a long-standing commitment to responsible investment. In 2009 we became a signatory to the United Nations supported Principles for Responsible Investment. This commits us to incorporate environmental, social and governance factors into our core investment processes.

Our disciplined process of identifying high-quality, attractively valued investment opportunities, has been tested and proven for 50+ years. We actively manage the investments of our clients, based on fundamental research and analysis. To augment this process, we constantly invest in the quality and depth of our team. Today we have a large, dedicated and highly regarded team, with extensive investment management experience.



The Zenith Fund Awards were issued on 15 October 2021 by Zenith Investment Partners (ABN 27 130 132 672, AFSL 226872) and are determined using proprietary methodologies. The Fund Awards are solely statements of opinion and do not represent recommendations to purchase, hold or sell any securities or make any other investment decisions. To the extent that the Fund Awards constitutes advice, it is General Advice for Wholesale clients only without taking into consideration the objectives, financial situation or needs of any specific person. Investors should seek their own independent financial advice before making any investment decision and should consider the appropriateness of any advice. Investors should obtain a copy of and consider any relevant PDS and offer document before making any investment decisions. Fund Awards are current for 12 months from the date awarded and are subject to change at any time. Fund Awards for previous years are referenced for historical purposes only. Past performance is not an indication of future performance.



How to invest

Whether you're a first-time investor or an investment professional, you can access our investment expertise in the way that best suits your individual needs:

Investors can buy and sell units in GIVE on the ASX via their stockbroker, share trading account or another securities trading platform.

ETMFs trade, clear and settle in the same way as ASX-listed shares. Investors do not need to complete an application form or withdrawal form. Perpetual does not require an investor to apply for a minimum number of units or dollar amount in GIVE.

Learn more about GIVE by visiting www.perpetual.com.au/give

What are the risks?

All investments carry risk. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your investment. For a comprehensive summary of the key risks associated with investing in ETMFs refer to section 2 of the Perpetual Exchange Traded Managed Funds – Equities Strategies Product Disclosure Statement.

* Information on Management Costs (including estimated indirect costs) is set out in Perpetual Exchange Traded Managed Funds – Equities Strategies Product Disclosure Statement.

Perpetual may donate to charity a portion of the performance fee it earns from GIVE.

- 1 The Fund invests predominantly in Australian shares listed on any recognised Australian exchange but may have up to 20% exposure to international shares listed on any recognised global exchange. The Fund may also invest in Australian or international shares proposed to be listed within six months on any such recognised exchange, limited to 10% of the Fund's net asset value. Currency hedges may be used from time to time.
- 2 Each Fund's exposure to derivatives is limited to 10% of the Fund's net asset value except in exceptional circumstances. Derivatives used to manage foreign exchange risk are excluded from this limit. We will report on the ASX and our website if a Fund's exposure to derivatives exceeds 5% of net asset value.
- 3 The Fund invests predominantly in international shares listed on any recognised global exchange. The Fund may also invest in international shares proposed to be listed within six months on any such recognised exchange, limited to 10% of the Fund's net asset value.

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