

# PERPETUAL CHARITABLE ENDOWMENT FUND

Specialist investment manager information  
Issued 27 January 2021

The following incorporated information forms part of PDS issue number 7 dated 1 October 2020 for Perpetual Charitable Endowment Fund and should be read in conjunction with the PDS.

The Perpetual Charitable Endowment Fund invests in the single asset class funds to gain exposure to all the main asset classes. The single asset class funds then invest with the specialist investment managers.

CHARITABLE ENDOWMENT FUND						
CASH	FIXED INCOME	DIVERSIFIED CREDIT	REAL ESTATE	AUSTRALIAN SHARES	INTERNATIONAL SHARES	DIVERSIFIED ALTERNATIVES
Perpetual Investments	Colchester Global Investors Perpetual Investments Macquarie* Thornburg Investment Management Western Asset*	Alliance Bernstein* Perpetual Investments Thornburg Investment Management	Renaissance Asset Management Resolution Capital	Cooper Investors DNR Capital Kaplan Funds Management Perpetual Investments Renaissance Asset Management Selector Funds Management Limited	Artisan Partners Barrow, Hanley, Mewhinney & Strauss Black Creek Investment Management Hardman Johnston Global Advisers RWC Sustainable Growth Advisers	Perpetual Investments <sup>^</sup>

- \* Perpetual Investments has not delegated investment powers to this manager, rather it has selected the strategy in the managers wholesale fund.
- ^ Perpetual Investments actively reviews and invests in a range of alternative investment structures managed by a number of alternative managers in accordance with relevant investment objectives.

## THE SPECIALIST INVESTMENT MANAGERS

The specialist investment managers for the Funds are outlined below.

All figures relating to funds under management are as at 31 March 2019 unless otherwise stated.

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**ALLIANCEBERNSTEIN®**

**AllianceBernstein Australia Limited (ABAL)** is a subsidiary of the AllianceBernstein L.P Group (AB). AB is a leading global investment management and research firm that offers high-quality and diversified investment services to institutional clients, retail investors and private clients in major markets around the world.

AB delivers a comprehensive range of investment strategies across the capital structure. Partnering closely with our clients, we shape the most appropriate solutions for their investment needs today, tomorrow and beyond. From customised and multi-asset solutions to style-pure equity portfolios, index services to alternative investments and fixed-income portfolios; our broad array of global and local investment services help to solve clients' increasingly complex investment challenges. As at September 30, 2017, our firm managed US\$529 billion in assets including US\$184 billion in Equities, US\$293 billion in Fixed Income and US\$59 billion in certain multi-asset services, solutions and alternative investments.

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**Artisan Partners** is a global investment management firm that has always aimed to produce differentiated investment outcomes for sophisticated clients around the world by attracting highly talented investment professionals and supporting them with the tools, resources and environment they need to thrive.

We allow our investment professionals to focus on what they do best – active investment management – while our distinct business management team leads a robust operational capability and an experienced distribution and client service effort. This proven business model is thoughtfully designed to eliminate distractions for our investment professionals and deliver high value-added results for our clients.

Since 1994, Artisan Partners has provided the resources of a full-scale, global firm paired with the independence of a boutique startup. With more than \$96 billion in assets under management as of 31 December 2018, we provide a broad range of high value-added investment strategies across multiple asset classes and through various investment vehicles to accommodate a broad range of client mandates.

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## BARROW, HANLEY, MEWHINNEY & STRAUSS

**Barrow, Hanley, Mewhinney & Strauss (BHMS)**, founded in 1979, is a diversified investment management firm offering value-focused investment strategies spanning global equities and fixed income. Recognized as one of the few remaining firms dedicated exclusively to value investing, Barrow Hanley enjoys a boutique culture with a singular focus to assist clients in meeting their investment objectives. Today, Barrow Hanley has approximately 100 employees and manages \$48.4B in assets (USD as at 31/12/20) for a variety of clients. Barrow Hanley is a 75% owned subsidiary of Perpetual Limited and a related party of Perpetual Investment Management Limited. Perpetual Corporate Trust Limited (ABN 99 000 341 533, AFSL 392673) has appointed Barrow Hanley as its authorised representative (Representative number 001283250) under its Australian Financial Services Licence.

Barrow Hanley's approach to the equity market is based on the underlying philosophy that markets are inefficient. These inefficiencies can best be exploited through adherence to a valuation centric investment process dedicated to the bottom-up selection of securities. Barrow Hanley stewards the capital of corporate, public, multi-employer pension plans, mutual funds, endowments and foundations, and sovereign wealth funds across North America, Europe, Asia, Australia and Africa. For further information, please visit [www.barrowhanley.com](http://www.barrowhanley.com).

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Since 2005, **Black Creek has managed global equities** in a disciplined and consistent manner. We are a focused, boutique investment manager and are 100% employee-owned. We invest personally in the strategies we manage, ensuring our interests are aligned with those of our clients.

Black Creek's investment-driven approach concentrates on building high conviction portfolios of winning businesses from around the world that are misunderstood or misperceived by the market. Our business-owner mindset and long-term perspective allow us to think differently. The net result for investors is not only a long-term, high-conviction strategy, but it means our portfolios are eclectic, bearing little resemblance to any global index. Any sector or geographical allocations within our portfolio are a by-product of our unconstrained, go anywhere global style. While our portfolios are concentrated, there is a conscious diversification of investment ideas.

We focus on understanding the long-term drivers of a winning business, not quarter to quarter earnings. Our investment process requires independent and sometimes contrarian thinking. We consider what a business will look like over the next 5 to 10 years, and short-term market volatility provides the opportunity to create significant value for our clients over time. This approach requires a constitution of character amongst our investment professionals to withstand the inevitable shorter periods of time when you look completely different from other investors in order to add long-term value.

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**Colchester Global Investors (Colchester)** is an independent investment management firm offering quality value oriented global bond management services. The firm has its headquarters in London, United Kingdom, with offices located in New York, Singapore, Sydney and Dubai. Colchester's rigorous application of its real yield investment strategy has underpinned the firm's success. Strength is drawn from the robustness of the real yield approach and from its time proven results. Colchester believes in the benefits of specialisation and focus: a significant competitive advantage enjoyed by Colchester is the greater diversity and added return potential generated by its unique use of high quality smaller country bond markets.

Colchester was founded by Ian G. Sims in 1999 and commenced managing client portfolios in February 2000. Ian Sims, Chairman and Chief Investment Officer, was one of the premier global bond managers of the 1990s prior to founding Colchester. Colchester is an employee-owned firm and the senior partners have all enjoyed long and successful careers managing global bonds with reputable institutions. Colchester's business is focused solely on sovereign bond and currency markets and as of 30 September 2019 had AUD 67.8 billion under management across four core strategies being global sovereign bonds, global inflation-linked bonds, local currency emerging market debt and an alpha program. Colchester manages assets for global institutions including corporate and public pension funds, foundations, endowments, insurance and sovereign wealth clients.

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**Cooper Investors** is an Australian based specialist equity fund manager with funds under management of approximately \$13 billion. They use their VoF method (Value Latency; Operating, Industry and Strategic Trends; Focused Industry and Management Behaviour) to identify market opportunities.

Cooper Investors is an organisation founded on deep, cultural values (humility; intentionality; curiosity; focus and authenticity). It is 100% employee and owner operated.

The company commenced operations in 2001 and manages money for a range of clients including large pension and superannuation funds, religious institutions, Australian State Government agencies, education endowments, charities and high net worth individuals.

Cooper Investors is a long term, active investors who engages extensively with boards and management. The team is intensely focused on allocating long term capital to quality companies with a value proposition and adds value through performance, proper policies and A grade administration.

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## THE SPECIALIST INVESTMENT MANAGERS (CONTINUED)

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**DNR Capital** is an Australian investment management company that delivers client-focused, quality, investment solutions to institutions, advisers and individual investors.

Founded in 2001, we have a strong track record of delivering on our investment philosophy of identifying and investing in quality companies for the medium-to-long term. The DNR Capital Australian Emerging Companies strategy was launched in January 2018 and is an extension of the DNR Capital investment philosophy to the smaller companies sector.

Our rigorous investment process has been proven over various market cycles and demonstrates a track record of delivering investment performance for our clients. Our commitment to our clients goes beyond investment performance. We deliver quality client service through openness and transparency, regularly sharing insights behind our investment decisions, market views and portfolio strategy.

DNR Capital is a signatory to the Principles for Responsible Investment (PRI).

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**Hardman Johnston Global Advisors LLC (Hardman Johnston)** is an independent, global equity boutique investing in high quality growth companies at value prices. We follow a clear investment philosophy and disciplined process which results in high conviction portfolios designed to deliver superior, long term performance. Our firm has been built around our approach. We are 100% employee owned in order to fully align the interests of client and firm. We are global in our coverage to maximize the opportunity set.

We are systematic and disciplined in our stock selection, and we are focused on in-depth fundamental research. Our investment approach has been consistently applied for over 30 years, and our clients have benefitted from the long-term results.

Hardman Johnston is an SEC registered investment advisor founded in 1985 and based in Stamford, CT. As of, 31 March 2019 Hardman Johnston managed approximately \$6 billion.

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**Kaplan Funds Management Pty Limited (Kaplan)** was established in 1998 exclusively for wholesale clients and employs an absolute return approach to investment management.

Kaplan aims to achieve positive returns under most conditions with an emphasis on income generation during high risk periods to produce consistent returns with low volatility.

Kaplan manages in excess of \$1.2 billion.

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**Macquarie Investment Management** delivers a full-service offering across a range of asset classes including fixed interest, listed equities (domestic and international) and infrastructure securities to both institutional and retail clients in Australia and the US, with selective offerings in other regions. Macquarie Investment Management had over \$320 billion of assets under management with presence in Australia, Asia, Europe and the US.

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**Magellan Asset Management Limited (Magellan)** is an Australian-based manager that oversees AUD \$82 billion (as at 31 March 2019) in global equity and listed infrastructure assets. MAM is a wholly owned subsidiary of Magellan Financial Group Limited, which is listed on the Australian Securities Exchange.

Magellan's investment philosophy is straightforward: it seeks to achieve attractive risk adjusted returns whilst minimising the risk of permanent capital loss. Each of Magellan's funds seek to invest into a portfolio of global companies trading at a discount to their assessment of value.

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**Perpetual Investment Management Limited (Perpetual Investments)** is one of Australia's leading investment managers, with \$27.4 billion in funds under management (as at 31 March 2019). Perpetual Investments is part of the Perpetual Group, which has been in operation for over 125 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to help generations of Australians manage their wealth.



**Renaissance Asset Management (Renaissance)** is a boutique investment manager that was established in 2003 and it specialises in the management of Australian smaller companies portfolios and listed property securities portfolios.

In smaller companies, Renaissance employs an active, bottom up investment style, focusing on building a portfolio of quality smaller companies that are trading on a discount to their assessed valuations. The manager will rotate between different securities based on its assessment of valuation and the risk and return profile of the companies. The portfolio typically holds between 40 and 100 companies.

In listed property securities, Renaissance employs an active, value style, and focuses on bottom-up stock selection. Mispriced securities are identified by the manager using its own research and propriety value ranking system. Stock-specific and portfolio risk controls are then overlaid to determine portfolio weights.



**Resolution Capital Limited (Resolution Capital)** is a specialist global real estate securities manager with a successful long-term investment track record and strong culture of fiduciary responsibility. The firm was established in 2004 and is headquartered in Sydney and maintains an office in New York. We believe that listed real estate is an excellent means of gaining exposure to the underlying returns of some of the world's highest quality real estate assets in a simple, transparent, liquid and tax efficient form. We are a value orientated investment manager with the objective of delivering superior risk adjusted long term returns, compared with recognised industry benchmarks. This is achieved through investment in a concentrated portfolio of carefully selected listed real estate securities with an emphasis on avoiding fundamental flaws, which could reasonably result in permanent impairment of the underlying investments.



**RWC Partners (RWC)** was founded in 2000. Comprised of more than 140 people, including 50 investment professionals based in London, Miami and Singapore, RWC now manages over US \$10 billion on behalf its clients.

At the heart of RWC are eight independent investment teams, each led by experts in their specific fields. The teams manage portfolios on behalf of RWC's clients with the common aim of helping them meet their long-term objectives.

RWC's specialist strategies enable investors to access developed and emerging market equities, convertible bonds and income solutions. There is a strong sense of responsibility across the organisation to provide the highest standards of investment management; good value for money, clear information that helps clients and a stable framework that is a both long-term and trustworthy.



**Sustainable Growth Advisers (SGA)** was founded in July 2003 by Founding Principals and co-Portfolio Managers George Fraise, Gordon Marchand, and Rob Rohn. The firm is part owned by employees who are active in the firm. The investment team includes nine primary research analysts, each a generalist with unique perspective resulting from real world experience responsible for the fundamental research that is the hallmark of our investment approach. Since inception, SGA has utilized a common investment philosophy across all client portfolios. SGA focuses on those few differentiated high-quality global businesses that offer strong, predictable, sustainable earnings and cash flow growth over the long term. There are typically 100+ global companies that meet the fundamental characteristics that we require of all portfolio holdings (pricing power, recurring revenues, global opportunity, management strength, and financial strength) and that have successfully passed our rigorous fundamental research process to be included on what we call the Qualified Company List. From that list we then build portfolios of 25-35 companies, choosing those where we have the highest conviction in the underlying business fundamentals and that offer the most attractive opportunities based on our cash flow based valuation discipline.

SGA is an SEC-registered investment advisor under the Investment Advisors Act of 1940 located in Stamford, CT. As of 31 March 2019 the firm oversaw client assets of \$12.5 billion.



## THE SPECIALIST INVESTMENT MANAGERS (CONTINUED)

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**Selector Funds Management Limited** was founded in 2003. We are a boutique fund manager with a combined experience of over 150 years. We believe in long-term wealth creation and building lasting relationships with our investors.

Our focus is stock selection. Our funds are high conviction, concentrated and index unaware. As a result, we have low turnover and produce tax effective returns.

We seek businesses with leadership qualities, run by competent management teams, underpinned by strong balance sheets and with a focus on capital management.

Selector's philosophy is to invest sensibly for the long term. A bottom-up stock selection process is used to identify good businesses selling at a fair price. As a good business evolves into a great business, its underlying real earnings per share grows. Selector aims to capture as much of this earnings growth as possible over time, since this is what translates into share price appreciation.

Selector Funds Management is a founder owned and led business. We invest alongside our clients in the funds that we run. We are open minded and prepared to explore new avenues. We seek to employ people who act ethically at all times, strive to constantly improve and generate outperformance for our clients.

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**Thornburg Investment Management (Thornburg)** is an independent, privately-held investment management firm located in Santa Fe, New Mexico. Garrett Thornburg founded the firm in 1982 with a vision to be a trusted partner to clients by providing alpha through a highly active, benchmark agnostic approach. Our research process is uniquely collaborative as it seeks to capitalize on the market's inefficiencies created by siloed investment research elsewhere. We continue to deliver on the promise of active management by providing differentiated alpha through our distinctive process. A recognized leader in fixed income, equity and alternatives investing, Thornburg oversees \$44 billion (USD) as of September 30, 2019, with offices in the U.S., London and Hong Kong.

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**Western Asset** is one of the world's leading investment management firms. Its primary business is managing fixed-income portfolios, an activity the Firm has pursued since 1971.

From offices in Pasadena, New York, Sao Paulo, London, Dubai, Singapore, Hong Kong, Tokyo and Melbourne, Western Asset's 851 employees perform investment services for a wide variety of global clients. The Firm's clients include charitable, corporate, health care, insurance, mutual fund, public and union organizations, and client portfolios range across an equally wide variety of mandates, from money markets to emerging markets. Western Asset's client base totals 409, representing 36 countries, 963 accounts, and AU\$555 billion in assets under management.

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### CONSENTS

All companies mentioned in this document have consented to the statements made by them and being included in the form and context in which such statements and information appear.

The specialist investment managers have prepared and consented to the statements about them being included.

The companies that have consented have not withdrawn their consent before the issue date of this document and have not authorised or caused the issue of the PDS into which this document is incorporated.

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### MORE INFORMATION

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