The AGM is where Boards and Executives of companies must be transparent and accountable

Summary:
Perpetual performs better than others so far during the 2020 virtual AGM season but still leaves some important questions unanswered. A great effort and report from our warriors Rita Mazalevskis & Craig Caulfield.

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Perpetual Has Some Questions To Answer

Rita Mazalevskis: I have had four meetings with Perpetual since last year's AGM. The CEO, Rob Adams attended three of these meetings. I would like to acknowledge the CEO's personal commitment in managing my serious complaint, and arranging for my travel to Sydney, for our last meeting which went for six (6) hours. My complaint is outstanding.

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Whilst the Chairman Tony D'Aloisio said every question submitted will be read out and responded to, and seven of mine were, there were several questions which were not read out, and several which were read out but not answered. The Chairman stated "not sure if appropriate and very detailed" and "a very complex legal question to be asked for an AGM" - questions raised, includes content from many bank victims. Despite the Chairman's comments, this is the precise forum that the Shareholders who are owners of the business, can discuss issues, including complex issues. Even if questions are detailed and complex, Shareholders and the public should be given the opportunity to listen in on all Shareholder questions in the AGM forum.

It is the one day a year that Shareholders can put critical questions to the Board about the management of the business. No question should be taken 'offline' as stated by Mr D'Aloisio, to address privately, away from the forum of the public AGM.

Craig Caulfield: Of the six virtual AGM's I've participated in to date Perpetual is clearly the best. From the outset the Chairman, Tony D'Aloisio announced that every question submitted will be read out and responded to by the Board. At the end of the day 10 of my 13 questions were read out and responded to. I did experience technical difficulties trying to register as the AGM online did not open at the time advertised.

Mr D'Aloisio provided feedback and update on the six issues I raised at last year's AGM. These included:
- adoption of Model Litigant Principles
- confirmation of no political donations by the company or employees
- they don't come under the Banking Executive Accountability Regime (BEAR)
- the APRA report only applied to their Superannuation division - Mr D'Aloisio said NO we won't publish it, I said "will you consider publishing a redacted version"?
- a good uptake of the Banking and Finance Oath by Directors and Executives
- Auditing conflicts of interest remain

In contrast to CBA, where every single one of my questions was withheld as they had a team 'triaging' my questions. Ultimately not a single question was read out. CBA continue their CoverUp - Perpetual had far greater transparency.

Like the Macquarie virtual AGM, why can't Shareholders call in by phone and ask their question DIRECTLY to the Chairman and the Board, instead of questions being 'triaged' by others. and read by someone else?
We're pretty sure COVID-19 does NOT travel across phone lines!

Question VIDEO LINKS

Rita Mazalevskis #BankWarriors - No Principle Sum, default of nothing!
Video link >> https://youtu.be/ppjsc8jUOpc

Rita Mazalevskis #BankWarriors - When Assigned, who is the true Mortgagee?
Video link >> https://youtu.be/tuCU4U6TfKw

Rita Mazalevskis #BankWarriors - How possible without Borrower signature
Video link >> https://youtu.be/V1OTN5ApMKs

Rita Mazalevskis #Bankwarriors - Carbon Green Bond cash flow profit
Video link >> https://youtu.be/feHI2t9uoKI

Craig Caulfield #BankWarriors - Update & status of 2019 AGM questions
Video link >> https://youtu.be/GC7I9KjcbUM

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Customer complaints update from 2019 AGM
Video link >> https://youtu.be/1c3_5qYhVLI

Craig Caulfield #BankWarrios - Model Litigant principles
Video link >> https://youtu.be/Ex-iAchWCk0

Rita Mazalevskis #BankWarriors - Confirm shareholder questions
Video link >> https://youtu.be/LHyKWJ490aI

Craig Caulfield #BankWarriors - Banking & Finance Oath members
Video link >> https://youtu.be/sXSB4Gps7JQ

Rita Mazalevskis #BankWarriors - Shareholders & s250S Corporations Act
Video link >> https://youtu.be/XSbF8l2_DWU

Craig Caulfield #BankWarriors - Staff letter re Banking & Finance Oath
Video link >> https://youtu.be/14fAlm6Kfuk

Craig Caulfield #BankWarriors - Auditing conflicts of interest
Video link >> https://youtu.be/6wV4hMC6r9o

Craig Caulfield #BankWarriors - APRA Report & Bear Map Accountability
Video link >> https://youtu.be/lZVXlqVU_ck

Rita Mazalevskis #BankWarrios - Perpetual Board Skills Matrix
Video link >> https://youtu.be/MPQ3QvpjHnE

Rita Mazalevskis #BankWarriors - Board Legal Experience
Video link >> https://youtu.be/2A4rS0PlTfg

Rita Mazalevskis #Bank Warriors - Publish AGM Questions on website
Video link >> https://youtu.be/dL9OFezZxJc

Craig Caulfield #BankWarriors - Publish Superannuation Governance report
Video link >> https://youtu.be/anMCslngyuI

Rita Mazalevskis #BankWarriors - New Client Advocate role, Independent?
Video link >> https://youtu.be/A0DqMAi8_6o

Rita Mazalevskis #BankWarriors - My Perpetual Limited case
Video link >> https://youtu.be/UIcnOjkrmQM

Rita Mazalevskis #BankWarriors - Has the Board reported any breaches?
Video link >> https://youtu.be/fowDm5acTY

Transcripts printed directly from Perpetual Limited's virtual AGM

RITA MAZALEVSKIS (WA) : QUESTIONS

OPEN COMMENTS NOT READ OUT

Chair, I'd like to thank the CEO Mr Adams who made a substantial effort in taking the time to personally meet with me face-to-face on four occasions regarding my serious complaints. Particularly one meeting which went for approximately six hours which both the CEO and Sally Arthur met with me. It was greatly appreciated. Rita Mazalevskis

Asked regarding General Business

Asked at: 7:01AM

Updated:7:01AM

OPEN COMMENTS NOT READ OUT

Chair - **I would like to thank all Directors for staying back after the AGM last year and meeting with shareholders. Unlike ANZ Directors who literally did a runner and did not make the time to personally acknowledge and speak to shareholders. Rita Mazalevskis**

Asked regarding General Business

Asked at: 7:04AM

Updated:7:04AM

OPEN COMMENTS READ OUT

Chair, you said shareholders can participate in real time. The AGM Online Guide states- Note: We will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the meeting. This is not aligned with s250 of the Corporations Act 2001. Please clarify and re-confirm ALL shareholder questions will be read. Rita Mazalevskis

Asked regarding General Business

Asked at: 7:14AM

Updated:7:14AM

OPEN COMMENTS READ OUT

Chair, in regards to my prior question re shareholder questions, the Corporations Act states – s250S- Questions and comments by members on company management at AGM (1) The chair of an AGM must allow a reasonable opportunity for the members as a whole at the meeting to ask questions about or make comments on the management of the company. (2) An offence based on subsection (1) is an offence of strict liability. NOTE: For strict liability, see section 6.1 of the Criminal Code.

Asked regarding General Business

Asked at: 7:20AM

Updated:7:20AM

OPEN COMMENTS READ OUT

Chair, Perpetual's Board Skills Matrix in the Corporate Governance Statement – shows the individual 'Skills and Background' as listed. This does not give the extent of experience for each Board member in the areas shown. Unlike the big banks, there is no scale showing the actual degree of skill set for each Board member. If I have missed this and there is a further Board Skills Matrix somewhere, could you please direct me where to find this. Rita Mazalevskis

Asked regarding General Business

Asked at: 7:40AM

Updated:7:40AM

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OPEN COMMENTS READ OUT

Chair, with the Board Skills Matrix and experience of each Board member, could you please advise which Board members have legal experience, or a legal background. Rita Mazalevskis

Asked regarding General Business

Asked at: 7:42AM

Updated:7:42AM

OPEN COMMENTS READ OUT

Chair, will Perpetual publish ALL questions lodged on their website for all Shareholders to read. Please keep in mind, not all Shareholders have access to watch a virtual AGM, and lack technical experience or access. Rita Mazalevskis

Asked regarding General Business

Asked at: 7:45AM

Updated:7:45AM

OPEN COMMENTS READ OUT

Chairman, Perpetual Limited created a Client Advocacy Team on 30 March 2020. The CEO notified me that "we had created that role, which acts independently of the business". Chair, how do you ensure that this process is independent to the business? Rita Mazalevskis

Asked regarding General Business

Asked at: 8:02AM

Updated:8:02AM

OPEN COMMENTS

Chair, thank you for the clarification regarding Shareholder questions. Rita Mazalevskis

Asked regarding General Business

Asked at: 8:05AM

Updated:8:05AM

OPEN COMMENTS READ OUT

Chairman, regarding your comments re my Perpetual case. Substantial delays have occurred due to roadblocks by Mr Adams, the so called independent report conducted IN-HOUSE is NOT independent. It is Perpetual reviewing Perpetual This is disingenuous. I continue to propose an external independent investigator chosen by myself. Mr Adams has also imposed restrictions on a full and fair Mediation I am require an internal independent investigation. Rita Mazalevskis

Asked regarding General Business

Asked at: 8:12AM

Updated:8:12AM

OPEN COMMENTS NOT READ OUT

Chairman, is there a conflict of interest to the farmer when green bonds are created through carbon trading without the farmers knowledge? Rita Mazalevskis

Asked regarding General Business

Asked at: 8:13AM

Updated:8:13AM

OPEN COMMENTS READ OUT BUT WOULD NOT ANSWER IN AGM

Chairman, without a Borrowers knowledge - is it true that Perpetual becomes the proprietor of the bundle which is securitised and then a green bond is created from carbon trading which then creates an enormous cash flow profit for an unknown third party. Rita Mazalevskis

Asked regarding General Business

Asked at: 8:13AM

Updated:8:13AM

OPEN COMMENTS READ OUT BUT WOULD NOT ANSWER IN AGM

Chairman, When a bank assigns all its rights and obligations of a loan to Perpetual, and the bank becomes the Servicer, who is the true Mortgagee?

Asked regarding General Business

Asked at: 8:16AM

Updated:8:16AM

OPEN COMMENTS READ OUT BUT WOULD NOT ANSWER IN AGM

Chairman, How is it possible to default a lender when on a Mortgage there is no Principle Sum. Doesn't that mean you would be in default of nothing? Rita Mazalevskis

Asked regarding General Business

Asked at: 8:26AM

Updated:8:26AM

OPEN COMMENTS READ OUT BUT WOULD NOT ANSWER IN AGM

Chairman, if a Borrower is not a party to any agreement that establish the securitisation vehicle, or the agreements establishing the loan notes – how is any of this possible without the Borrower's initial signature?

Asked regarding Resolution 1

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Asked at: 8:34AM

Updated:8:34AM

OPEN COMMENTS READ OUT

Chairman, Whilst the Board delegates the day-to-day responsibility for the management and operation of the Company to the Managing Director and CEO, the Board remains responsible for overseeing management's performance. Has the Board reported or recorded, any breaches by management in the last 12 months? If so, through which avenue and how many? Rita Mazalevskis

Asked regarding General Business

Asked at: 8:38AM

Updated:8:38AM

OPEN COMMENTS

Chairman, I look forward to speaking with you re my securitisation questions. Thank you Rita

Asked regarding General Business

Asked at: 8:42AM

Updated:8:42AM

OPEN COMMENTS

CRAIG CAULFIELD (QLD) : QUESTIONS

View Questions

Your submitted questions can be viewed below. We will endeavour to answer all questions during the AGM.

OPEN COMMENTS NOT READ OUT

Please advise shareholders that could not register due to tech difficulties that reg is now open Chairman please provide the status of the four complaints referred to at last years AGM Namely Dr Barry Landa / Dunlop family / Fraser family Ms Mazalevskis

Asked regarding General Business

Asked at: 8:54AM

Updated:8:54AM

OPEN COMMENTS (UNANSWERED) READ OUT

I am really pleased to see Model Litigant Principles I raised at the 2019 AGM adopted and published. These will benefit your customers should a dispute arise. I would appreciate if Perpetual would engage with me to consider some amendments as ANZ, Westpac and NAB did? I applaud the Board on this fabulous reform

Asked regarding General Business

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Asked at: 8:58AM

Updated:8:58AM

OPEN COMMENTS READ OUT

I thank the Board for very succinctly and clearly stating and publishing your policy that Perpetual makes no political donations. Bravo

Asked regarding General Business

Asked at: 9:02AM

Updated:9:02AM

OPEN COMMENTS READ OUT

I raised the benefits of Perpetual promoting membership to the Banking and Finance Oath at last years AGM. I thank those 11 executives and Directors who joined including the Chairman & CEO since then. Mr McCarthy heading people and culture would be an ideal candidate to join. Will Mr McCarthy and the Director not a member please consider joining?

Asked regarding General Business

Asked at: 9:18AM

Updated:9:18AM

OPEN COMMENTS READ OUT

Perpetual has a total of 16 members of the Banking and Finance Oath, largely the most senior executives with very few of the 1000 other managers and employees. Will Perpetual engage with me to draft a letter encouraging the substantial benefits of lifting trust and reputation in both Perpetual and the industry at large circulated to ALL employees?

Asked regarding General Business

Asked at: 9:21AM

Updated:9:21AM

OPEN COMMENTS READ OUT

A Parliamentary inquiry has investigated conflicts in auditing in Australia. At last years AGM I raised the proposal to separate completely consulting and tax advice from companies that provide Audit services. Chairman, has Perpetual adopted this policy to avoid conflicts, or perceived conflicts? KPMG provided submissions to this inquiry can the auditor also update regarding these conflicts

Asked regarding General Business

Asked at: 9:26AM

Updated:9:26AM

OPEN COMMENTS READ OUT

Has the APRA prudential report, raised at last years AGM, investigating Culture, Risk, Accountability, Integrity & Governance been published by Perpetual as NAB, CBA & Westpac have?

Asked regarding General Business

Asked at: 9:29AM

Updated:9:29AM

OPEN COMMENTS READ OUT

At the 2019 AGM we discussed Perpetual publishing a simplified version of the APRA required BEAR map. Has Perpetual published this people friendly version of an executive accountability map? Please discuss the benefits of an accountability map in terms of the highest paid executives at Perpetual and whether publishing this simplified accountability map prevents confusion that was uncovered at the Royal Commission

Asked regarding General Business

Asked at: 9:34AM

Updated:9:34AM

OPEN COMMENTS READ OUT

Please thank all Directors and executives for making themselves available to meet with shareholders after last years AGM finished. Perpetual did this very well and the Chairman, CEO & executives all stayed for every shareholder that wished to meet. This great culture stands in contrasts to ANZ where not a single Director met any shareholders waiting at the sandwiches. I applaud Perpetuals engagement and transparency

Asked regarding Resolution 4

Asked at: 9:38AM

Updated:9:38AM

OPEN COMMENTS NOT READ OUT

Given some technical difficulties and inability to register online at the advertised time will Perpetual publish a transcript online next to the webcast for those who have any technical difficulties?

Asked regarding General Business

Asked at: 9:42AM

Updated:9:42AM

OPEN COMMENTS READ OUT

This is a comment not a question. Please thank the Chairman for his excellent responses to my six questions. I would like to encourage the Board to consider publishing the Superannuation Governance report and to make it more playable redact any names or confidential business matters. Would the Board consider this revised publication?

Asked regarding General Business

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Asked at: 9:47AM

Updated:9:47AM

OPEN COMMENTS READ OUT

I support Perpetuals two acquisitions and thank the very energetic CEO and team who has worked tirelessly to achieve these outcomes I support both acquisitions of Trillium and Barro The COVID19 has impacted all companies and it seems Perpetual has contained damage and set itself up for a renewed future I am pleased to remain a shareholder in these most uncertain times The hurdled equity is a balanced and appropriate response that I support

Asked regarding Resolution 2

Asked at: 10:28AM

Updated:10:28AM

OPEN COMMENTS

oops my last. question headed question 2 should be here question 1 thanks Craig

Asked regarding Resolution 1

Asked at: 10:29AM

Updated:10:29AM

OPEN COMMENTS (UNANSWERED) NOT READ OUT

I'm pleased to see you have adopted the Banking and Finance Oath. I support your re-election

Asked regarding Resolution 3

Asked at: 10:37AM

Updated:10:37AM

OPEN COMMENTS

my question was missed sent earlier?

Asked regarding Resolution 4

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