

# THE AUSTRALIAN

## How BHP's appointment of Ken MacKenzie won over fund manager Peter Cooper again

---

**ERIC JOHNSTON** ASSOCIATE EDITOR OCTOBER 30, 2022



BHP chairman Ken MacKenzie. Picture: Thomas Graham

When former Amcor chief executive Ken MacKenzie was named the new chairman of BHP five years ago, that was a sign for top-rated fund manager Peter Cooper to move back into the mining giant.

Cooper says BHP is a world class company sitting on some of high quality mining assets from copper, iron ore to nickel.

“They’re supplying all the raw materials that go into the new economy,” Cooper says.

Cooper oversees the \$13bn family of investment funds that carry his name, including the top performing Brunswick fund.

“The one liner for BHP is the faster the net zero crew go the higher the NPV of BHP goes,” said Cooper in reference to net present value metric used to determine how much a company is worth.

Cooper was speaking ahead of the seventh Sohn Investment Conference to be held in Hobart on November 18. There Cooper will present his top stock pick with the proceeds of the conference to go to charity. Cooper said he followed the Canadian-born MacKenzie at ASX-listed packaging company Amcor.

“MacKenzie’s a strategist and very technically competent in capital allocation. He understands not only the theory, but the application of capital and how it works over time,” Cooper says.

The history at BHP is just a lack of capital discipline. There’s a group of people underneath him but as chairman this symbolically just puts his imprint on that capital allocation.



Fund manager Peter Cooper, CIO of Cooper Investors. Picture: Valeriu Campan

MacKenzie also applied current industrial thinking to a long, asset-heavy industry, Cooper said, adding BHP has world leading experience in managing environment, social and governance risks which is part of its DNA.

Air carrier Qantas is another that stands out to Cooper for being “ruthlessly driven” for investors.

While not in the same league as BHP, Cooper says Qantas is a cyclical company working on a Covid-19 recovery.

“(Qantas) have run into one of the great events of all time. It’s a capacity constrained industry, regulatory challenging, running in an energy crisis. They are just pros.

“They’ve very AI-data driven people, where they’ve been able to sort of exploit the capacity constraints and as a dominant incumbent, they’ve done well”.

At the smaller end of the scale is low-cost housing provider Lifestyle Communities which is delivering a public good with more than 5,000 homes in operation or under construction.

“Australia has some of the best affordable housing solutions and IP on the planet,” he says.

“James Kelly, the Lifestyle Communities CEO is just an amazing fellow who understands affordable housing. They have affordable houses like lifestyle community-based housing, the technology, the IP, and how to build those communities is just world class”.

Peter Cooper will be a speaker at the Hearts & Minds Investment Leaders Conference on November 18 in Hobart, Tasmania

[www.sohnheartsandminds.com.au](http://www.sohnheartsandminds.com.au)

<https://www.theaustralian.com.au/business/companies/how-bhps-appointment-of-ken-mackenzie-won-over-fund-manager-peter-cooper-again/news-story/211594b63c232907a8ebd47dbb7b1f45>