

## Notice of 2024 Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of Magellan Financial Group Ltd (the "Company") will be held on Tuesday 22 October 2024, at 11:00 am AEDT in the Smith Room at the Wesley Conference Centre, 220 Pitt Street, Sydney NSW 2000.

### BUSINESS

#### 1. Financial Statements

To receive and consider the Financial Report, Directors' Report and Independent Auditor's Report of the Company for the year ended 30 June 2024.

#### 2. Adoption of Remuneration Report

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

*"To adopt the Remuneration Report of the Company for the year ended 30 June 2024."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

#### 3. Re-Election of Directors

To consider, and if thought fit, pass the following resolutions as **ordinary resolutions**:

##### (a) Re-Election of Catherine (Cathy) Kovacs (also known as Catherine Stanton)

*"That Catherine Kovacs, a Director retiring by rotation in accordance with Article 47(b) of the Company's Constitution and ASX Listing Rule 14.5, and being eligible, is re-elected as a Director of Magellan Financial Group Ltd."*

##### (b) Re-election of David Dixon

*"That David Geoffrey Dixon, a Director retiring by rotation in accordance with Article 47(b) of the Company's Constitution and ASX Listing Rule 14.5, and being eligible, is re-elected as a Director of Magellan Financial Group Ltd."*

#### 4. Approval of grant of Performance Rights and Restricted Shares to Ms Sophia Rahmani under the Magellan Financial Group Equity Plan

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue Performance Rights and Restricted Shares to Ms Sophia Rahmani, under the Magellan Financial Group Equity Plan, on the*

*terms and conditions set out in the Explanatory Notes to this Notice of Meeting."*

#### 5. Approval of the Magellan Financial Group Equity Plan

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.2 Exception 13 and for all other purposes, the Magellan Financial Group Equity Plan (the "MFG Equity Plan") and any grants of equity securities issued under the MFG Equity Plan, be approved."*

#### 6. Spill Resolution – Conditional Resolution

Only if required, to consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, subject to and conditional on at least 25% of the votes cast on Item 2 (Adoption of Remuneration Report) being cast against the adoption of the Remuneration Report for the financial year ended 30 June 2024:*

- a. *an extraordinary general meeting of Magellan Financial Group Ltd (the "Spill Meeting") be held within 90 days after the passing of this resolution;*
- b. *all of the Company's directors who were in office when the resolution to approve the Directors' Report for the financial year ended 30 June 2024 was passed and who remain in office at the time of the Spill Meeting (being Mr Andrew Formica, Mr David Dixon, Mr John Eales, Ms Catherine Kovacs and Mrs Deborah Page)<sup>1</sup>, cease to hold office immediately before the end of the Spill Meeting; and*
- c. *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

**Note:** The Board unanimously recommends that shareholders vote **AGAINST** this resolution to convene a Spill Meeting if Item 6 is put to the meeting. The Chairman of the AGM intends to vote all available proxies **AGAINST** Item 6.

<sup>1</sup> Mr Hamish McLennan was a Director when the Directors' Report was approved but is retiring at the conclusion of the 2024 AGM.

## 7. Questions and Comments

Consistent with the Company's approach to encourage shareholder engagement and feedback, shareholders will be given the opportunity at the AGM to ask questions about or comment on the Company's activities. Shareholders will also be given the opportunity to ask the Company's Auditor questions in relation to the audit of the Company.

While shareholders will have the opportunity to ask questions at the AGM, it would be desirable for the Company to receive questions in advance. Shareholders are therefore asked to send any questions they might have for the Company, its Directors or the Auditor ahead of the AGM using the AGM Question Form attached.

We will attempt to respond to as many of the more frequently asked questions as possible in the addresses by each of the Executive Chairman of the Company and the Managing Director of Magellan Asset Management Limited ("MAM") at the AGM. The Chairman will also permit the Auditor to answer any written questions submitted to the Auditor.

Ms Cathy Kovacs and Mr David Dixon will speak to Resolution 3(a) and 3(b) respectively and address any relevant questions received in advance regarding their re-election to the Board of the Company.

## GENERAL INFORMATION

### Voting Entitlements

The Company has determined in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that for the purposes of the AGM (including voting), shares will be taken to be held by those persons recorded in the Company's register of members as at 11:00am AEDT on Sunday, 20 October 2024.

### Proxies

A shareholder entitled to participate and vote at the AGM is entitled to appoint up to two proxies, who need not be members of the Company. Where more than one proxy is appointed, each proxy should be appointed to represent a specified percentage or specified number of the shareholder's voting rights. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half the votes of the shareholder. Fractions of votes will be disregarded.

A Proxy Form accompanies this Notice of AGM. To be valid, and for the proxy or proxies to be able to vote at the AGM, the completed Proxy Form must be received by the Company's Share Registry at least 48 hours before the AGM (i.e. by no later than 11:00 am AEDT on Sunday, 20 October 2024) using one of the following methods:

- **Vote online** at:  
<https://www.votingonline.com.au/mfgagm2024>
- **Deliver** the Proxy Form to the office of the Company's Share Registry, Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000;

- **Mail** the Proxy Form to Boardroom Pty Limited, GPO Box 3993, Sydney, NSW 2001 Australia; or
- **Fax** the Proxy Form to +61 2 9290 9655.

Further directions for the proper completion of the Proxy Form are set out in the Proxy Form.

### Voting by Attorney

A shareholder entitled to participate and vote at the AGM may appoint an attorney to vote at the AGM on their behalf. Where a shareholder appoints an attorney to act on their behalf at the AGM, the instrument appointing the attorney (together with any authority under which the instrument was signed or a certified copy of the authority) must be received by the Company's Share Registry using the methods described above by no later than 11:00 am AEDT on Sunday, 20 October 2024.

### Corporations

Any corporate shareholder or proxyholder may appoint a representative to act as their representative at the AGM. The representative must ensure that the Company's Share Registry has received a formal notice of appointment, signed as required by section 127 of the *Corporations Act 2001* (Cth) ("**Corporations Act**") or the constitution of the corporation, by no later than 11:00 am AEDT on Sunday, 20 October 2024. A form of notice of appointment can be obtained from Boardroom Pty Limited or downloaded from:  
<http://boardroomlimited.com.au/investor-forms/>

### Registration

Please bring the personalised Proxy Form enclosed with this Notice of AGM with you to facilitate registration. If you do not bring the Proxy Form with you, you will still be able to attend the AGM but at registration, our representatives will need to verify your identity. Registration will be available from 10:00 am AEDT on the day of the AGM.

### AGM Livestream

The AGM will be livestreamed. Shareholders will not have the opportunity to vote or ask questions during the livestream. Shareholders who are unable to physically attend the meeting and wish to submit questions are encouraged to send questions to the Company, its Directors or the Auditor ahead of the AGM using the AGM Question Form attached.

A recording of the AGM will be made available to shareholders on the Company's website as soon as available in the days following the AGM. The Company will announce livestream registration details to the ASX in advance of the AGM.

Please note that the Company will not be hosting a separate teleconference for this AGM, and shareholders will only be able to participate if physically present.

### By order of the Board

Marcia Venegas | Company Secretary  
**20 September 2024**

## ENCLOSURES

Enclosed with this Notice of AGM are:

- a letter from the Executive Chairman of the Company;
- your personalised Proxy Form;
- an AGM Question Form to be completed if you would like a question to be addressed by the Company, its Directors, the Managing Director of MAM or the Auditor at the AGM; and
- the Company's Annual Report (only for those shareholders that previously elected to receive a printed copy of the Annual Report).

Shareholders that did not elect to receive a printed copy of the Annual Report can access the Annual Report from the Company's website at:

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

## EXPLANATORY NOTES

These Explanatory Notes have been included to provide information about the items of business to be considered at the Company's AGM to be held on **Tuesday, 22 October 2024 at 11:00 am AEDT.**

### 1. Financial Statements

As required by section 317 of the Corporations Act, the Company's Financial Report, Directors' Report and Independent Auditor's Report will be presented for consideration at the AGM. No resolution is required for this item, but shareholders will be given the opportunity to ask questions and to make comments on all aspects of these reports. Shareholders will also have a reasonable opportunity to ask the Auditor questions relevant to the conduct of the audit and the preparation and content of the Independent Auditor's Report. The Company's Financial Report, Directors' Report and Independent Auditor's Report are contained in the Company's 2024 Annual Report available on the Company's website.

### 2. Remuneration Report

A resolution for the adoption of the Remuneration Report must be considered and voted on in accordance with section 250R(2) of the Corporations Act.

The Remuneration Report forms part of the Directors' Report of the Company's Annual Report. The Remuneration Report details the remuneration arrangements for the key management personnel of the Company (who comprise the Directors and group executives as disclosed in the Remuneration Report) ("KMP"). The vote on the adoption of the Remuneration Report resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

### Directors' recommendation

**The Board recommends that shareholders vote IN FAVOUR of the adoption of the Remuneration Report.**

**Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies IN FAVOUR of the adoption of the Remuneration Report.**

### Voting exclusion statement

The Company will disregard any votes cast on Resolution 2 by, or on behalf of:

- a member of the KMP named in the Company's Remuneration Report; and
- their closely related parties,

unless the vote is cast:

- by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction on the Proxy Form; or
- by the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on the resolution, and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit, even though the resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP.

### 3. Re-Election of Directors

The Company is required to hold an election or re-election of directors at each annual general meeting under ASX Listing Rule 14.5. This applies even where no director is due to stand for re-election under ASX Listing Rule 14.4, which restricts directors from holding office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer.

As all of the Company's directors (other than Mr. Hamish McLennan, who is retiring from the Board at the end of this Meeting) were elected or re-elected to the Board at the Company's 2023 annual general meeting and are therefore not due to be re-elected this year, Ms Cathy Kovacs and Mr David Dixon have offered to retire from office and to offer themselves for re-election at this Meeting, pursuant to Article 47(b) of the Company's Constitution and ASX Listing Rule 14.5.

#### (a) Re-Election of Catherine (Cathy) Kovacs

Ms Cathy Kovacs retires in accordance with Article 47(b) of the Company's Constitution and ASX Listing Rule 14.5 and, being eligible, offers herself for re-election.

Ms Kovacs was originally appointed to the Board on 6 November 2023 and elected at the Company's AGM on 8 November 2023. Ms Kovacs is a member of the Remuneration and Nominations Committee and the Audit and Risk Committee.

Ms Kovacs is an experienced company director and financial services professional, currently serving on the boards of ASX listed, private and not for profit companies. She is a Non-Executive Director of wealth tech HUB24 (appointed July 2021), international payments provider OFX (appointed February 2021), Universities Admission Centre (UAC) for ACT and NSW, and lendtech Grapple Holdings Limited. Ms Kovacs has 30 years' broad experience across the financial services sector including senior leadership roles at BT Investment Bank, Macquarie Group, Ellerston Capital and Westpac Banking Group. In her last executive role she was responsible for driving Westpac's strategic initiatives towards the future of financial services and managing a portfolio of investments in early stage innovative and disruptive fintech businesses.

She holds a Bachelor of Commerce from UNSW, a Masters of Applied Finance from Macquarie University, is a graduate and Member of the Australian Institute of Company Directors, and is a Member of the Association of Superannuation Funds Australia.

The Board considers that Ms Kovacs is independent.

The Board supports Ms Kovacs' re-election as it considers that her deep experience in the financial services industry and proven capacity for strategic thinking in rapidly changing environments deepens and complements the Board's existing skills and expertise.

#### **Directors' recommendation**

**Following an assessment of Ms Kovacs' performance, the Board (with Ms Kovacs abstaining) recommends the re-election of Ms Kovacs.**

**The Chairman of the AGM intends to vote undirected proxies in favour of the re-election of Ms Kovacs.**

#### **(b) Re-Election of David Dixon**

Mr David Dixon retires in accordance with Article 47(b) of the Company's Constitution and ASX Listing Rule 14.5 and, being eligible, offers himself for re-election.

Mr Dixon was originally appointed to the Board on 15 December 2022 and elected at the Company's AGM on 8 November 2023. Mr Dixon is a member of the Remuneration and Nominations Committee and the Audit and Risk Committee.

Mr Dixon has over 30 years' experience in leading and growing investment businesses within the funds management industry. He has extensive experience as a senior investment leader, board trustee and director of companies. From 2013 to 2020, Mr Dixon was Chief Investment Officer, Equities at First Sentier Investors (formerly Colonial First State Global Asset Management) ("FSI"). In this role, Mr Dixon was responsible for the Australian based equity teams managing domestic and international equities.

He also was responsible for the global equities dealing teams in Australia and overseas.

From 2003 to 2013 he was FSI's Global Chief Investment Officer, where he was responsible for the investment functions within the entity, of the Australian and global equities, global infrastructure, global resources, global property, quantitative equities, fixed income, private equity investments, economics and market research.

Prior to FSI, Mr Dixon was the Head of Equities (1995 to 2002) and Chief Investment Officer (2002 to 2003) at Insurance Australia Group Limited. From 1986 to 1995 he held numerous roles at Westpac Investment Management including equity analyst, portfolio manager and Head of Corporate Research.

Mr Dixon is currently a Non-Director Member of the Aware Super Investment Committee (appointed January 2021). He also previously held directorial roles across a number of Commonwealth Bank of Australia subsidiaries within the Wealth Management division along with member roles on ASIC's Market Supervision Advisory Panel and the Financial Services Council Investment Board. Mr Dixon was awarded the Financial Services Council Industry Excellence Award in 2012. He holds a Bachelor of Business (Finance and Economics) from the University of Technology Sydney.

The Board considers that Mr Dixon is independent.

The Board supports Mr Dixon's re-election as it considers that he will continue to apply his extensive experience within the funds management industry to benefit the Company.

#### **Directors' recommendation**

**Following an assessment of Mr Dixon's performance, the Board (with Mr Dixon abstaining) recommends the re-election of Mr Dixon.**

**The Chairman of the AGM intends to vote undirected proxies in favour of the re-election of Mr Dixon.**

#### **4. Approval of grant of Performance Rights and Restricted Shares to Ms Sophia Rahmani under the Magellan Financial Group Equity Plan**

##### **Background**

The Company is seeking Shareholder approval, pursuant to ASX Listing Rule 10.11, for the grant of performance rights and restricted shares to Ms Sophia Rahmani under the Magellan Financial Group Equity Plan ("**MFG Equity Plan**").

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue equity securities to, amongst others, a related party of the company without the approval of the company's shareholders. Ms Rahmani is considered to be a related party of the Company (for the purposes of ASX Listing Rule 10.11.1) as it is intended that she will be appointed as Chief Executive Officer and director of the

Company within the next eight months (being within 12 months of the commencement of her employment with the Group in May 2024).

As set out in the Company's ASX announcement of 15 February 2024, under the terms of Ms Sophia Rahmani's Executive Employment Agreement, Ms Rahmani is entitled to receive the following equity awards under the MFG Equity Plan, subject to receipt of all relevant regulatory and shareholder approvals:

- 93,389 performance rights ("**Performance Rights**"), to the value of A\$850,000, which is equivalent to 100% of Ms Rahmani's base salary; and
- 285,388 restricted shares with a total value of A\$2,500,000, that will vest on 31 December 2026 ("**Vesting Date**"), to compensate Ms Rahmani for the loss of incentive opportunities from her former employer ("**Forfeited Award Bonus Shares**").

In addition, it is proposed that, subject to shareholder approval, Ms Rahmani will be issued 10,665 restricted shares to compensate her for the FY24 full year dividend on the Forfeited Award Bonus Shares that will not be received by Ms Rahmani (as those shares have not yet been issued to her). Accordingly, it is proposed that a total of 296,053 restricted shares (the "**Restricted Shares**") with a vesting date of 31 December 2026 will be issued to Ms Rahmani.

If Resolution 4 is passed, the grant of the Performance Rights in respect of FY24 and the issue of the Restricted Shares will be made to Ms Rahmani as soon as practicable after the Meeting, and in any event no later than 22 November 2024.

If Resolution 4 is not passed, the proposed grant of Restricted Shares and Performance Rights will not proceed and the Company will:

- in lieu of the Restricted Shares, make a cash payment of A\$2,601,883 to Ms Rahmani within 7 days of the Vesting Date; and
- in lieu of the Performance Rights, make a cash payment of up to A\$850,000 at the end of the 3 year vesting period, having regard to the proportion of Performance Rights that would have vested at that time in accordance with the vesting table below.

#### Proposed grant of Performance Rights

It is proposed that, subject to shareholder approval, Ms Rahmani will be granted 93,389 Performance Rights to the value of A\$850,000 under the MFG Equity Plan.

As the Performance Rights will form part of Ms Rahmani's remuneration, they will be granted at no cost and there will be no amount payable on vesting.

Each Performance Right entitles Ms Rahmani to one ordinary share in the Company upon vesting. Prior to vesting, Performance Rights do not entitle Ms Rahmani to any dividends or voting rights.

The Company may issue new shares or acquire shares on market to satisfy Performance Rights which vest under the MFG Equity Plan.

The Performance Rights will be subject to a performance period of 3 years and performance will be based on relative total shareholder return ("**TSR**"), benchmarked against a comparator group of companies over a similar period.

The proportion of the Performance Rights that vest will be influenced by the ranking of Magellan's TSR relative to the comparator group over the three-year qualifying period as outlined below:

|                   | Threshold             | Target                           | Stretch                     |
|-------------------|-----------------------|----------------------------------|-----------------------------|
| Vesting           | 0%                    | Pro-rata from 50% to 100%        | 100%                        |
| Relative TSR rank | Below 50th percentile | Between 50th and 75th percentile | At or above 75th percentile |

#### Proposed grant of Restricted Shares

To compensate Ms Rahmani for the loss of incentive opportunities from her former employer, Ms Rahmani is entitled to 285,388 Restricted Shares, subject to shareholder approval. The number of Restricted Shares to be issued was determined by dividing A\$2,500,000 (being the value of the lost incentive opportunities from Ms Rahmani's former employer) by the 5-day VWAP for the period immediately preceding the commencement of Ms Rahmani's employment with the Magellan Group (on 13 May 2024).

In addition, to compensate Ms Rahmani for the full year FY24 dividend forgone as a result of not having received the 285,388 Restricted Shares on the commencement of her employment with the Magellan Group, it is proposed that an additional 10,665 Restricted Shares would be issued to her at the same time. This number of Restricted Shares was determined by dividing the dividend that Ms Rahmani would have received of A\$101,883.52, by the 12-day VWAP commencing on the ex-distribution date of 20 August 2024 and ending on 4 September 2024 (inclusive).

The Restricted Shares will be issued to Ms Rahmani for no consideration and will vest on the Vesting Date, provided that Ms Rahmani:

- has not ceased to be employed on or before 31 December 2025 due to her resignation; and
- has not ceased to be employed on or before 31 December 2025 in circumstances where she has been terminated for cause.

A Restricted Share is an ordinary share which is subject to a restriction on its transfer or disposal until the Vesting Date. During the restricted period, Ms Rahmani is prevented from trading or disposing of the Restricted Shares.

However, Ms Rahmani will have the benefits of share ownership in respect of any Restricted Shares she

holds during that period (including the ability to receive dividends, distributions and voting rights).

Following the end of the restricted period, the Restricted Shares will vest, except as noted above and in certain other circumstances (including for example, in circumstances where the Board determines that the malus or clawback provisions in the MFG Equity Plan rules apply).

#### **Additional information required by the ASX Listing Rules**

- The key terms of Ms Rahmani's Executive Employment Agreement ("**Agreement**") are detailed in the Company's ASX announcement of 15 February 2024, and are summarised below:
  - Appointment to the role of Managing Director of MAM;
  - The Agreement will continue indefinitely until terminated in accordance with the termination provisions of the Agreement;
  - Remuneration comprising:
    - Base salary: A\$850,000 (inclusive of superannuation);
    - Maximum short-term incentive opportunity in respect of each financial year: 100% of Ms Rahmani's base salary for that financial year;
    - Maximum long-term incentive opportunity in respect of each financial year: 100% of Ms Rahmani's base salary for that financial year. As part of this arrangement, an issuance of Performance Rights to the value of A\$850,000 is proposed (subject to approval of Resolution 4);
    - a signing bonus of A\$700,000; and
    - A\$2,500,000 of Restricted Shares as a forfeited award bonus (subject to approval of Resolution 4);
  - If a change of control event occurs, the Board may determine the treatment of any short-term incentive payment and any entitlements under the MFG Equity Plan;
  - Ms Rahmani's remuneration package is to be reviewed by the Board annually and a change to Ms Rahmani's role would also trigger a review;
  - The Agreement may be terminated by Ms Rahmani or MAM upon 6 months' notice;
  - post employment restraints apply for a period of 12 months following the termination of Ms Rahmani's employment.
- The material terms of the Performance Rights and Restricted Shares are set out in this section 4 and in the summary of the MFG Equity Plan at Schedule 1.
- No funds will be raised by the issue of the Performance Rights and Restricted Shares. Performance Rights and Restricted Shares are proposed to be granted to further enhance the alignment of Ms Rahmani's interests with the

interests of Shareholders. The Board believes that in order to compensate Mr Rahmani in line with current market practice, Performance Rights provide an appropriate form of remuneration that aligns Ms Rahmani with Shareholder interests. Restricted Shares are proposed to be issued to compensate Ms Rahmani as a forfeited award bonus in connection with her appointment and will allow Ms Rahmani to receive the benefit of holding Shares (including as to dividends and exercising voting rights) from the date of their issue.

- A summary of the material terms of the MFG Equity Plan is contained in Schedule 1 to this Notice of Meeting.

#### **Directors' recommendation**

**The Board recommends that shareholders vote IN FAVOUR of Resolution 4.**

**Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies IN FAVOUR of Resolution 4.**

#### **Voting exclusion statement**

The Company will disregard any votes cast on Resolution 4:

- by, or on behalf of, Ms Rahmani who is to receive the securities in question under Resolution 4 and any other person who will obtain a material benefit as a result of the issue of those securities (except a benefit solely by reason of being a holder of Shares) or any Associates of Ms Rahmani or any such other person; or
- cast as a proxy, by a person who is a member of the KMP of the Group at the date of the Meeting, or by any of their closely related parties,

unless the vote is cast:

- by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction on the Proxy Form; or
- by the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on the resolution, and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit, even though the resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP; or
- by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and it not an associate of a person

excluded from voting, on the resolution;  
and

- o the Shareholder votes on the resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

## 5. Approval of Magellan Financial Group Equity Plan

After an extensive review of the Group's remuneration framework, the Company has introduced changes to the remuneration arrangements for executive key management personnel and other key executives, effective from the 2025 financial year and has introduced other equity awards for Group employees, as described in the Company's 2024 Annual Report.

The changes include the introduction of a long-term incentive plan for executive key management personnel and other key executives, as well as the grant of a one-off equity grant to employees (excluding executive KMP and the senior management team) and a Matching Plan under which eligible employees may purchase shares in the Company ("**Purchased Shares**") that are "matched" by the Company at the end of two years ("**Matched Shares**") (subject to the satisfaction of certain conditions, which includes continued employment with the Group). The Matching Plan was offered to all employees, including to Ms Rahmani and to the Executive Chairman, Mr Andrew Formica, on the basis that any Purchased Shares and Matched Shares are to be purchased on-market and transferred to Ms Rahmani and Mr Formica.

These changes have been introduced because the Board believes it is important for Group employees to be aligned with shareholders by being owners of the business.

These plans are offered under an employee incentive scheme titled 'Magellan Financial Group Equity Plan' (the "**MFG Equity Plan**") that was adopted by the Board in August 2024, under which the Company may issue equity securities in the Company ("**Equity Securities**") to attract, motivate and retain key executive directors, senior executives and employees and provide them with the opportunity to participate in the future growth of the Company. Under the MFG Equity Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and, on the terms set out in the rules of the MFG Equity Plan, a summary of the key terms and conditions of which is included in Schedule 1.

Resolution 5 seeks Shareholder approval of the MFG Equity Plan and the issue of Equity Securities under the MFG Equity Plan in accordance with ASX Listing Rule 7.2 exception 13(b).

### **ASX Listing Rules 7.1 and 7.2, exception 13(b)**

ASX Listing Rule 7.1 limits the ability of a listed entity to issue or agree to issue Equity Securities over a 12 month period which exceeds 15% of the

number of fully paid ordinary Shares the entity had on issue at the start of the 12 month period.

ASX Listing Rule 7.2, exception 13(b), provides an exception to ASX Listing Rule 7.1 such that if Shareholders approve the issue of Equity Securities under an employee incentive scheme as an exception to ASX Listing Rule 7.1 such issuances are exempt from the application of ASX Listing Rule 7.1 for a period of three years from the date of the approval.

ASX Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the MFG Equity Plan from those set out in Schedule 1 of this Notice of Meeting.

If Resolution 5 is passed, the Company will be able to issue Equity Securities under the MFG Equity Plan pursuant to ASX Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

However, any future issues of Equity Securities under the MFG Equity Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

If Resolution 5 is not passed, future issues of Equity Securities under the MFG Equity Plan may still be made but must be counted towards the 15% limit on the Company's capacity to issue new securities without Shareholder approval under ASX Listing Rule 7.1. Alternatively, the Board may consider alternative remuneration arrangements which are consistent with the Company's remuneration principles.

### **Information Requirements for the purposes of ASX Listing Rules 7.1 and 7.2, exception 13**

- A summary of the material terms of the MFG Equity Plan is in Schedule 1.
- This is the first time that the Company is seeking Shareholder approval of the MFG Equity Plan which was adopted by the Board in August 2024. 65,438 Equity Securities are expected to be issued under the MFG Equity Plan on or about the date of this Notice of Meeting, being 32,719 Shares that have been purchased by employees under the Matching Plan and 32,719 corresponding Matching Awards, and it is intended that further Equity Securities will be issued under the MFG Equity Plan.
- The maximum number of Equity Securities proposed to be issued under the MFG Equity Plan pursuant to ASX Listing Rule 7.2, exception 13(b), within the 3-year period following approval of Resolution 5 will not exceed 8,962,749 Equity Securities, being 5% of the Company's ordinary shares on issue as at Monday, 16 September 2024. The maximum number is not intended to be a prediction of the actual number of Equity Securities to be issued

under the MFG Equity Plan, simply a ceiling for the purposes of ASX Listing Rule 7.2, exception 13(b).

- A voting exclusion statement is set out below.

### **Directors' recommendation**

**The Board recommends that shareholders vote IN FAVOUR of Resolution 5.**

**Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies IN FAVOUR of Resolution 5.**

### **Voting exclusion statement**

The Company will disregard any votes cast on Resolution 5:

- by, or on behalf of any person who is eligible to participate in the MFG Equity Plan or their Associates; or
- cast as a proxy, by a person who is a member of the KMP of the Group at the date of the Meeting, or by any of their closely related parties,

unless the vote is cast:

- by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction on the Proxy Form; or
- by the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on the resolution, and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit, even though the resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP; or
- by a Shareholder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and it not an associate of a person excluded from voting, on the resolution; and
  - the Shareholder votes on the resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

## **6. Conditional Spill Resolution**

At the Company's 2023 AGM, at least 25% of votes were cast against the resolution to adopt the Remuneration Report for the financial year ended 30 June 2023, resulting in the Company receiving a "first strike".

If at least 25% of the votes cast on Item 2 at this year's AGM are against the adoption of the Remuneration Report for the financial year ended 30 June 2024, this will constitute a "second strike" and Item 6 will be put to the meeting and voted on as required by section 250V Corporations Act (the "**Spill Resolution**"). For the Spill Resolution to be passed, more than 50% of the votes validly cast on the resolution must be in favour of it.

When considering this Item of Business, the Directors request that shareholders consider:

- the steps taken by the Board to address concerns expressed by shareholders, as outlined in the Remuneration Report. In particular, after an extensive review, important progress has been made on the Company's remuneration framework as set out in the Remuneration Report, and the Board believes these arrangements will strengthen the alignment of staff to business and shareholder outcomes and assist in retaining and attracting high quality talent across our business;
- the Board has undergone a period of renewal with the recent appointments of Catherine Kovacs and Deborah Page and the retirement of Hamish McLennan; and
- convening a Spill Meeting would cause significant disruption, uncertainty and cost to the Company, which the Board does not consider would be in the best interests of the Company or its shareholders.

If the Company is required to put the conditional Spill Resolution to the meeting, and the Spill Resolution is passed and becomes effective, the Board must convene a meeting of members within 90 days after the AGM to consider the composition of the Board ("**Spill Meeting**"). Immediately before the end of the Spill Meeting, each of:

- Andrew Formica;
- David Dixon;
- John Eales;
- Catherine Kovacs; and
- Deborah Page,

being the current directors of the Company who were in office when the Board approved the Director's Report for the financial year ended 30 June 2024, will cease to hold office. This assumes that Catherine Kovacs and David Dixon are re-elected at this AGM under Item 3 and that all Directors seek re-election at the Spill Meeting. Additionally, as previously disclosed, Hamish McLennan will retire from the Board at the end of this AGM and therefore would not be considered for re-election at any Spill Meeting.

The Spill Meeting would consider the election or re-election of directors, and each of the aforementioned directors would be eligible to seek re-election.

Shareholders will be notified of the date of such a Spill Meeting in due course.



### **Directors' recommendation**

**The Board recommends that shareholders vote AGAINST the Conditional Spill Resolution.**

**Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies AGAINST the Conditional Spill Resolution.**

### **Voting exclusion statement**

The Company will disregard any votes cast on Resolution 6 by, or on behalf of:

- a member of the KMP named in the Company's Remuneration Report; and
  - their closely related parties,
- unless the vote is cast:
- by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction on the Proxy Form; or
  - by the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on the resolution, and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit, even though the resolution is connected directly or indirectly with

the remuneration of a member of the Company's KMP.

## **7. Questions and Comments**

In addition to any questions asked or comments made in relation to the specific items of business, the Chairman will give shareholders an opportunity to ask questions about or comment on the activities of the Company.

### **Submitting questions in advance of the meeting**

While shareholders will have the opportunity to ask questions at the AGM, it would be desirable for the Company to receive questions in advance. Shareholders are therefore asked to send any questions for the Company, its Directors or the Auditor using the AGM Question Form attached. All questions using this form must be received by 5:00 pm AEDT on Tuesday, 15 October 2024.

During the AGM, the Company will seek to address as many of the more frequently asked questions as possible. However, there may not be sufficient time available at the AGM to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

**SCHEDULE 1 – SUMMARY OF KEY TERMS AND CONDITIONS OF MFG EQUITY PLAN**

| <b>Term</b>                                 | <b>Description</b>  |
|---|---|
| Purpose                                     | <p>The purpose of the MFG Equity Plan is to enable the Board to issue:</p> <ul style="list-style-type: none"> <li>- Equity Awards (including options, rights and share awards, which includes restricted shares); or</li> <li>- Matching Awards,</li> </ul> <p>(“<b>Awards</b>”) to Eligible Employees (defined below) as part of the Company’s remuneration arrangements.</p>  |
| Objectives                                  | <p>The objectives of the MFG Equity Plan are to:</p> <ul style="list-style-type: none"> <li>• to align the interests of Eligible Employees with those of shareholders;</li> <li>• to enable the Company to provide variable remuneration that is performance focused and linked to value creation for shareholders;</li> <li>• to provide incentives to attract, retain and/or motivate Eligible Employees in the interests of the Company; and</li> <li>• to provide Eligible Employees with the opportunity to acquire Awards, and ultimately Shares, in accordance with the MFG Equity Plan rules.</li> </ul>  |
| Eligibility                                 | <p>The Board has the discretion to determine which employees are eligible to participate in the MFG Equity Plan, and the number and type of Awards that they will be offered (“<b>Eligible Employee</b>”). The definition of employee under the MFG Equity Plan rules includes any full time or part time employee of the Group, or another person that the Board determines has an appropriate connection with the Group to be eligible to participate in the MFG Equity Plan.</p>   |
| Grants                                      | <p>The MFG Equity Plan provides for the Company to grant Awards upon the terms of the MFG Equity Plan and on such additional terms and conditions (including any Vesting Conditions, disposal restrictions or terms of expiry) as the Board determines.</p> <p>The Board has the discretion to set the terms and conditions on which it will make a grant under the MFG Equity Plan. The Board will determine the procedure for the invitation and granting of Awards, including but not limited to the form and content of any invitation, offers or acceptance procedure.</p> <p>The Board may determine that a grant will be subject to performance, service, time elapsed or other conditions which must be satisfied or waived before the grant vests (“<b>Vesting Conditions</b>”) and the relevant period over which performance against applicable Vesting Conditions will be measured (“<b>Vesting Period</b>”), and if so, will specify those Vesting Conditions and/or Vesting Periods in the plan offer to each Eligible Employee.</p> <p>The Board may, at its discretion, vary, reduce or waive any Vesting Conditions and/or Vesting Periods attaching to Awards at any time, subject to applicable law.</p> |
| Acquisition price for Equity Awards         | <p>Unless the Board determines otherwise, no payment is required for the grant of Awards under the MFG Equity Plan. Matching Awards will be granted following a contribution for the acquisition of Shares by an Eligible Employee.</p>   |
| Matching Awards                             | <p>Each Participant in a Matching Plan will receive a Matching Award for each Share acquired by the Participant via a contribution made by the Participant from their post-tax (or pre-tax) remuneration or any other form of payment made by the Participant as determined by the Board.</p>   |
| Exercise price                              | <p>The exercise of Awards that are capable of exercise upon vesting (“<b>Exercisable Awards</b>”) may be subject to payment of an exercise price by the participant as determined by the Board, or otherwise may be exercised at no cost to the participant.</p>  |
| Shares as a grant or on vesting of an Award | <p>Shares granted under the MFG Equity Plan or issued or transferred on the vesting or exercise of Awards will rank equally in all respects, and carry the same rights and entitlements, as other issued Shares, including dividend and voting rights.</p> <p>Depending on the terms of a grant, Shares may be subject to disposal restrictions (including via holding locks), which means that they may not be disposed of or dealt with for a period of time.</p>   |

|                                |   |
|--------------------------------|---|
| Vesting of Shares              | Shares granted under the MFG Equity Plan which have not been forfeited under the MFG Equity Plan will vest if and when any applicable Vesting Conditions have been satisfied or waived by the Board.  |
| Vesting and exercise of Awards | <p>Awards which have not lapsed under the MFG Equity Plan will, subject to Board determination, vest if and when any applicable Vesting Conditions have been satisfied following any Vesting Period, or where Vesting Conditions are waived by the Board.</p> <p>Following vesting (and, if applicable, exercise of an Exercisable Award), the Company will issue or arrange the transfer of such number of Shares to the participant that relate to the Award that has vested (and, if applicable, been exercised).</p>  |
| Expiry of Exercisable Awards   | Exercisable Awards which have not been exercised by the date that is 15 years from the date of grant or such other date as determined by the Board and specified in the invitation (" <b>Expiry Date</b> "), will lapse unless the Board determines otherwise.  |
| Forfeiture/lapse of Awards     | <p>Unless otherwise determined by the Board, a Share granted under the MFG Equity Plan will be forfeited, and an Award will lapse, in certain circumstances including but not limited to:</p> <ul style="list-style-type: none"> <li>• where the Board determines that any Vesting Condition applicable to the grant cannot be satisfied;</li> <li>• in the case of an Exercisable Award, on the Expiry Date applicable to that award;</li> <li>• in certain circumstances following cessation of a participant's employment (see 'Cessation of employment' below);</li> <li>• if the Board determines that the relevant Award is liable to clawback (see 'Clawback and malus' below); and</li> <li>• if the Board determines that the Award will be forfeited or lapse in the event of a change of control in respect of the Company.</li> </ul> |
| Participation rights of Awards | <p>Awards (other than share awards) do not confer the right to participate in new issues of Shares or other securities in the Company.</p> <p>However, subject to the ASX Listing Rules, the MFG Equity Plan provides for adjustments to be made to the number of Shares which a participant would be entitled on the exercise of Awards or the exercise price (if any) of the Awards in the event of a bonus issue or pro-rata issue to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) or a reorganisation of capital.</p>  |
| Restrictions                   | <p>Except in respect of the transmission of an Award to a Participant's legal representative upon death or legal incapacity, Awards may not be sold, transferred, and unless the Board determines otherwise, a Participant may not dispose of or otherwise deal with (including by granting any Security Interest over) an Award.</p> <p>Participants must not enter into any derivative arrangement for the purpose of hedging, or otherwise affecting their economic risk to any unvested Shares or Matching Awards.</p>  |
| Quotation                      | <p>Awards, except share awards, will not be quoted on the ASX.</p> <p>The Company will apply for official quotation of any Shares issued under the MFG Equity Plan, in accordance with the ASX Listing Rules.</p>   |
| Cessation of employment        | If a Participant ceases to be an Eligible Employee prior to the vesting or exercise of an Award, or an Award ceasing to be subject to any disposal restrictions as a term of the offer or at the time of cessation, the Board may in its discretion determine the treatment of those Awards, including that some or all of the Awards lapse, that any Vesting Conditions continue to apply or are waived or assessed at a different date or in respect of any Exercisable Equity Awards that they may be exercised during any period determined by the Board or are automatically exercised on a date determined by the Board.  |
| Clawback and malus             | <p>Where the Board determines that a Participant has:</p> <ul style="list-style-type: none"> <li>• committed any act of fraud, misappropriation of funds, or gross misconduct in relation to the affairs of any Group Company;</li> <li>• materially breached their obligations to the Group, including by failing to comply with a Group policy with which the Participant is required to comply;</li> <li>• hedged the value of, or entered into a derivative arrangement in respect of, unvested awards;</li> </ul>  |

|                   |   |
|-------------------|---|
|                   | <ul style="list-style-type: none"> <li>• purported to dispose of or otherwise deal with (including by granting any Security Interest over) an award other than in accordance with the MFG Equity Plan; or</li> <li>• acted, or failed to act, in a way that could reasonably be regarded to have contributed to material reputational damage to any Group Company;</li> <li>• directed an employee, contractor or adviser of a Group Company to do any of the above matters; or</li> <li>• been convicted of an offence or has a judgment entered against them in connection with the affairs of the Group; or</li> <li>• any awards have Vested as a result of a material misstatement in the financial statements of the Company; or</li> <li>• any other circumstance arises that the Board reasonably determines should result in a Participant's entitlement under any Plan Offer being reduced or extinguished,</li> </ul> <p>the Board may determine that:</p> <ul style="list-style-type: none"> <li>• unvested Awards may lapse;</li> <li>• restrictions on disposing or otherwise dealing with Awards are extended;</li> <li>• any cash amounts paid to the Participant are to be repayable to the Company; or</li> <li>• any vested Shares are to be sold and proceeds paid to the Company.</li> </ul> |
| Change of control | <p>If a change of control event occurs with respect to the Company, the Board may determine, in its discretion, the manner in which all unvested Shares, or Awards will be dealt with.</p>  |
| Trust             | <p>The Company may establish an employee share trust for the purposes of the MFG Equity Plan.</p>   |

## 2024 Annual General Meeting – Tuesday, 22 October 2024

### AGM QUESTION FORM

Your questions regarding any matter relating to Magellan Financial Group Ltd (the “**Company**”) that may be relevant to the 2024 Annual General Meeting (“**AGM**”) are important to us.

We invite you to use this form to submit any questions you may have on:

- the activities of the Company;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements;
- the conduct of the audit;
- the preparation of the Independent Auditor’s Report; and/or
- the independence of the Auditor in relation to the conduct of the audit.

All questions using this form must be received by 5:00pm AEDT on Tuesday, 15 October 2024. You can email your questions to [mfgcompany.secretary@magellangroup.com.au](mailto:mfgcompany.secretary@magellangroup.com.au). Alternatively, you may submit questions using this form by faxing it to +61 2 9235 4800.

We will attempt to respond to as many of the more frequently asked questions as possible in the addresses by the Chairman and the Managing Director of Magellan Asset Management Limited (“**MAM**”) at the AGM. The Chairman will also permit the Auditor to answer any written questions submitted to the Auditor.

**My question is for the:**  **Chairman**  **MAM Managing Director**

**Director(s)**  **Auditor**  **Undirected**

**Question(s):**