

Notice of 2021 Annual General Meeting

Notice is hereby given that the Annual General Meeting ("AGM") of Magellan Financial Group Limited ("Company") will be held as a virtual meeting on Thursday, 21 October 2021, at 11:00am AEDT.

BUSINESS:

1. Financial Statements

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2021.

2. 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 2021."

3. Re-Election and Election of Directors

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

(a) Re-Election of Hamish Macquarie Douglass

"That Hamish Macquarie Douglass, a Director retiring by rotation in accordance with Article 47(a) of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, is re-elected as a Director of Magellan Financial Group Limited"

(b) Election of Colette Garnsey

"That Colette Mary Garnsey, a Director appointed by the Board on 30 November 2020, retiring in accordance with Article 47(d) of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, is elected as a Director of Magellan Financial Group Limited"

4. Issue of Shares and Provision of a Related Party Benefit to Ms Garnsey

(a) Issue of Plan Shares to Non-Executive Director Colette Garnsey

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

"That subject to and conditional on the approval of Resolution 3(b) and Resolution 4(b), for all purposes, including for the purpose of ASX Listing Rule 10.14, the issue to Colette Garnsey of shares in the Company to a maximum total value of \$1,333,333 under the Share Purchase Plan on the terms set out in the Explanatory Notes be approved."

(b) Approval of Related Party Benefit to Non-Executive Director Colette Garnsey

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

"That subject to and conditional on the approval of Resolution 3(b) and Resolution 4(a), for all purposes, including for the purpose of Section 208 of the Corporations Act 2001 (Cth), the provision by the Company of a financial benefit in the form of a full recourse, interest free loan of up to \$1,000,000 and the issue of shares in the Company to a maximum total value of \$1,333,333 under the Share Purchase Plan to Colette Garnsey on the terms set out in the Explanatory Notes be approved."

5. Questions and Comments

Shareholders will be given a reasonable opportunity to ask questions about or comment on the Company's activities and the audit of the Company. While shareholders will have the opportunity to submit questions online at the meeting, 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 to: mfgcompany.secretary@magellangroup.com.au.

We will attempt to respond to as many of the more frequently asked questions as possible in the addresses by the Chairman and the Chief Executive Officer at the AGM. The Chairman will also permit the Auditor to answer any written questions submitted to the Auditor.

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 7:00pm AEDT on Tuesday, 19 October 2021.

Voting restrictions apply to Resolutions 2, 4(a) and 4(b), as set out in the Explanatory Notes relating to each of those Resolutions below.

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 to be able to vote online at the AGM, the completed Proxy Form must be submitted to the Company's Share Registry at least 48 hours before the AGM (i.e. by no later than 11:00am AEDT on Tuesday, 19 October 2021) using one of the following methods:

- **Vote online** at:
www.votingonline.com.au/mfgagm2021
- **Deliver** the Proxy Form to the office of the Company's Share Registry, Boardroom Pty Limited, Level 12, Grosvenor Place, 225 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 11:00am AEDT on Tuesday, 19 October 2021.

Corporations

Any corporate shareholder or a proxy may appoint a representative to act as its 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 11:00am AEDT on Tuesday, 19 October 2021. A form of notice of appointment can be obtained from Boardroom Pty Limited or downloaded from:

<http://boardroomlimited.com.au/investor-forms/>.

Registration

Due to COVID-19 restrictions on public gatherings and for the health and safety of our investors, the AGM will be held virtually and there will be no

physical meeting where shareholders can attend.

Online registration will open at 10:00am AEDT on the day of the AGM. Information on how to log on, ask questions and vote online are set out in the enclosed Online Voting User Guide.

Shareholders and proxyholders will be able to participate, vote and ask questions at the AGM online by visiting <https://web.lumiagm.com> on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox).

All shareholders and proxyholders participating online in the AGM will be taken for all purposes to be present at the AGM while so participating.

The Meeting ID for the AGM is 348-386-041

Your username is your Voter Access Code (which can be located on your Proxy Form or on your Notice of AGM email).

Your password is your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Voting User Guide.

Participating in the AGM online enables shareholders to ask questions and cast votes in real time during polling at the appropriate times during the AGM. Please note that the Company will not be hosting a separate teleconference for this AGM and participation is only via the webcast available once you log in using the following URL and the instructions provided:

<https://web.lumiagm.com>

By order of the Board

Authorised by

Marcia Venegas and Mariana Kolaroski | Company Secretaries

22 September 2021

ENCLOSURES

Enclosed with this Notice of AGM are:

- your personalised Proxy Form;
- an Online Voting User Guide;
- an AGM Question Form to be completed if you would like a question to be addressed by the Company, its Directors 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.

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 **Thursday, 21 October 2021 at 11:00am AEDT**.

1. Financial Statements

As required by section 317 of the Corporations Act, the Company's Financial Report, Directors' Report and 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.

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, as disclosed in the 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 and Election of Directors

(a) Re-Election of Hamish Douglass

Hamish Douglass retires in accordance with Article 47(a) of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Douglass was first appointed to the Board on 21 November 2006.

Mr Douglass is the Co-Founder, Chairman and Chief Investment Officer of Magellan Financial Group Limited, and Lead Portfolio Manager of Magellan's Global Equity strategies. Mr Douglass is a former member of the Australian Government's Foreign Investment Review Board (FIRB), the Australian Government's Financial Literacy Board, former Acting President of the Australian Government's Takeovers Panel and former Co-Head of Global Banking at Deutsche Bank, Australasia. Mr Douglass is a Director of the Victor Chang Cardiac Research Institute.

Having regard to the executive roles previously and currently held by Mr Douglass, the Board considers that Mr Douglass is not an independent Director.

The Board supports Mr Douglass' re-election as it considers that the executive roles performed by Mr Douglass and his extensive industry experience enable him to continue to provide valuable direction to the Board.

Directors' recommendation

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

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

(b) Election of Colette Garnsey

Ms Colette Garnsey OAM retires in accordance with Article 47(d) of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers herself for election. Ms Garnsey was appointed to the Board on 30 November 2020. Ms Garnsey is a member of the Company's Audit and Risk Committee and the Remuneration and Nominations Committee.

Ms Garnsey has 40 years' experience in retail, marketing and distribution. She has played a key role in the development and growth of the Australian retail industry using her established experience in branding, consumer insights, digital and marketing.

Ms Garnsey serves as a Director of Australian Wool Innovation Limited (appointed November 2011 and Chairman from November 2018 to March 2021), the R&D and marketing organisation for the Australian wool industry. She is also a Non-Executive Director of Flight Centre Travel Group (appointed February 2018), Seven West Media Limited (appointed December 2018), Laser Clinics Australia (appointed November 2020) and Loreto Normanhurst (appointed January 2021).

Ms Garnsey has previously held senior roles with David Jones, Pacific Brands and Premier Investments. She has also held directorial and advisory positions for government boards and not-for-profit enterprises, including the CSIRO (1997 – 2001), Australian Government Innovation Council (2010 - 2012), Federal Trade and Investment Ministers (2014 – 2018), Australian Fashion Week (1998 – 2009) and the Melbourne Fashion Festival (2006 – 2013).

Ms Garnsey was awarded the Medal of the Order of Australia in 2012 for services to business and professional organisations. She holds an Executive MBA from the Graduate School of Business at Stanford University.

The Board considers that Ms Garnsey is an independent non-executive Director.

Directors' recommendation

Following an assessment of Ms Garnsey's performance, the Board (with Ms Garnsey abstaining) recommends the election of Ms Garnsey.

The Chairman of the AGM intends to vote undirected proxies in favour of the election of Ms Garnsey.

4. Issue of Shares and Provision of a Related Party Benefit to Ms Garnsey

It is proposed that Ms Colette Garnsey be invited to participate in the Company's Share Purchase Plan ("Plan") via a one-off offer of fully paid ordinary shares in the Company ("Plan Shares"), up to a maximum value of \$1,333,333.

Under the Plan, Ms Garnsey will be required to pay an amount equal to 25% of the issue price of the Plan Shares to be issued to Ms Garnsey at the time

of issue. The remaining 75% of the issue price will be funded by way of a full recourse, interest free loan from the Company, that is repayable within 10 years.

The Plan was approved by shareholders on 22 March 2007 and is a core part of the Company's remuneration philosophy to encourage Directors and employees to think and act like long-term owners of the Company.

Further details on the Plan can be found on page 30 of the Company's 2021 Annual Report available at: <https://www.magellangroup.com.au/shareholder-centre/reports-asx-releases/>.

Resolutions 4(a) and 4(b) relate to the shareholder approvals required for the issue of Plan Shares, and the provision of the associated loan, to Ms Garnsey. Resolutions 4(a) and 4(b) are inter-conditional, which means that if either Resolution is not passed, the issue of the Plan Shares, and the provision of the associated loan, to Ms Garnsey will not proceed. These Resolutions are also conditional on Ms Garnsey being elected to the Board pursuant to Resolution 3(b).

4(a) Issue of Plan Shares to Non-Executive Director Colette Garnsey

Subject to the election of Ms Garnsey as a Director pursuant to Resolution 3(b), the Company intends to issue Plan Shares to Ms Garnsey or to a legal entity that is controlled by her, the obligations of such entity to be guaranteed by Ms Garnsey, pursuant to the Plan Rules.

ASX Listing Rule 10.14 prevents directors or their associates from acquiring shares under an employee incentive scheme unless the acquisition is approved by shareholders. In circumstances where shareholder approval is obtained under ASX Listing Rule 10.14, approval under ASX Listing Rule 7.1 is not required.

The information below is provided in accordance with ASX Listing Rule 10.15.

- The Plan Shares may be issued directly to Ms Garnsey or to an entity controlled by Ms Garnsey.
- Subject to and conditional on the approval of Resolution 3(b), Ms Garnsey is a Director of the Company.
- A maximum of \$1,333,333 worth of Plan Shares will be offered to Ms Garnsey, which by way of illustration, based on the closing market price of the Company's shares on 14 September 2021 of \$39.07, would amount to a maximum of 34,126 ordinary shares in the Company being issued to Ms Garnsey.
- The actual issue price for the Plan Shares to be issued to Ms Garnsey will be the market value of the Plan Shares (as defined in Division 83A of the Income Tax Assessment Act 1997) at the issue date. This will be calculated using the volume weighted average price of traded shares in the Company over the five business days prior to the offer date. The Plan Shares will be

issued no later than 12 months from the date of the AGM.

- Ms Garnsey is currently paid Director fees of \$87,400 (including superannuation) per annum.
- No Plan Shares have been previously issued to Ms Garnsey.
- The Company will provide Ms Garnsey with a full recourse, interest free loan for up to 75% of the issue price of the Plan Shares to be issued to her under the Plan (i.e. a maximum loan amount of \$1,000,000). A holding lock will be placed on the Plan Shares until the loan has been fully repaid.
- Dividends will be applied to repay the loan until the loan has been fully repaid.
- Ms Garnsey will be required to repay the loan by no later than the tenth anniversary of the date of issue of the Plan Shares. The Plan Rules also require repayment of the loan where Ms Garnsey ceases to be a Non-Executive Director of the Company.
- Details of Plan Shares issued will be published in the Annual Report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Plan Shares after the resolution in Resolution 4(a) is approved and who were not named in this Notice of AGM, will not participate in the Plan until approval is obtained under ASX Listing Rule 10.14.

4(b) Approval of Related Party Benefits

Chapter 2E of the Corporations Act regulates the provision of financial benefits by a public company to its related parties. Section 208 of the Corporations Act permits a public company to give a financial benefit to a related party of that public company if shareholders of the public company have approved the giving of that financial benefit to the related party.

The issue of Plan Shares and the provision of a full recourse, interest free loan to Ms Garnsey of up to \$1,000,000 under the Plan are considered to be the provision by the Company of a financial benefit to a related party.

The information below is provided in accordance with section 219 of the Corporations Act and corresponding ASIC guidance:

- If Resolution 4(a) is approved, it would permit Ms Garnsey, a related party of the Company, to be given a financial benefit.
- The financial benefit is the provision by the Company of a full recourse, interest free loan of up to \$1,000,000, the terms of which are described above and the issue of Plan Shares up to a value of \$1,333,333.
- The Company's Directors (with Ms Garnsey abstaining) recommend the approval of this Resolution as they consider that Ms Garnsey's participation in the Plan will serve to maintain the close alignment of Ms Garnsey's interests

with the long-term interests of the Company's shareholders.

- The Directors making the recommendation above have no direct interest in the outcome of Resolution 4(b). Each Director is eligible to participate in the Plan.
- For the 2021 financial year, Ms Garnsey received Director's fees of \$48,384 (including superannuation). Ms Garnsey, directly and through her associates, currently holds 2,030 shares in the Company.
- If the maximum number of Plan Shares were issued under Resolution 4(a) to Ms Garnsey, this would represent approximately 0.019% of the Company's ordinary shares on issue at the closing market price on 14 September 2021 of \$39.07 and accordingly, the dilutive effect on existing shareholders is nominal.
- The financial impact of the issue of the maximum number of Plan Shares and the provision of the maximum full recourse, interest free loan to Ms Garnsey on the Company's Consolidated Statement of Profit or Loss and Comprehensive Income may be summarised as follows:

Year ending	2022	2023	2024	2025	2026	2027
30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	18	29	28	26	24	22
Employee expenses	14	21	21	21	21	21
Net impact in the Consolidated Statement of Profit or Loss	4	8	7	5	3	1

Year ending	2028	2029	2030	2031	2032	Total
30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	20	17	14	11	3	212
Employee expenses	21	21	21	21	9	212
Net impact in the Consolidated Statement of Profit or Loss	-1	-4	-7	-10	-6	0

The table above shows the estimated cost of providing the benefit over the 10-year maximum term of the loan for Ms Garnsey on the employee expenses line.

Both the change in the carrying value of the loan recorded in interest income and the cost of providing the benefit to participants recorded in employee expenses are non-cash items. Over the life of the loan, the cumulative amounts credited to interest

income and the amounts recognised as employee expenses will exactly offset each other.

The Company's Directors (with Ms Garnsey abstaining) consider that the disadvantages of shareholders approving Resolution 4(b) are that:

- the loan provided to Ms Garnsey is interest free; and
- whilst an equitable mortgage or charge is taken over the Plan Shares, the Company may be exposed to credit risk in respect of Ms Garnsey in circumstances where the market value of the Plan Shares is less than the loan balance outstanding.

The Company's Directors (with Ms Garnsey abstaining) consider that the benefits of approving Resolution 4(b) outweigh the disadvantages of approving Resolution 4(b).

Notice to ASIC and ASX

Copies of the Notice of AGM and these Explanatory Notes were lodged with ASIC in accordance with section 218(1) of the Corporations Act and with ASX in accordance with Listing Rule 15.1.4 before being sent to shareholders.

Resolution 4(a) – Directors' recommendation

The Board (with Ms Garnsey abstaining) recommends that shareholders vote in favour of Resolution 4(a).

Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies in favour of Resolution 4(a).

Resolution 4(a) - Voting exclusion statement

The Company will disregard any votes cast on Resolution 4(a) by, or on behalf of Ms Garnsey and her associates, 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; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:
 - the beneficiary provides written confirmation to the holder that they are not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with a direction on the Proxy Form.

In addition, a vote must not be cast on Resolution 4(a) by a member of the KMP or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on Resolution 4(a). This restriction on voting undirected proxies does not apply to the Chairman of the AGM acting as proxy for a person entitled to vote on Resolution 4(a) and the Proxy Form expressly authorises the Chairman of the AGM 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.

Resolution 4(b) – Directors' recommendation

The Board (with Ms Garnsey abstaining) recommends that shareholders vote in favour of Resolution 4(b).

Subject to the voting exclusion statement below, the Chairman of the AGM intends to vote all undirected proxies in favour of Resolution 4(b).

Resolution 4(b) - Voting exclusion statement

For the purposes of section 224(1) of the Corporations Act, the Company will exclude Ms Garnsey and her associates from voting on Resolution 4(b). This exclusion will not prevent the casting of a vote if:

- it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of Ms Garnsey or her associates.

In addition, a vote must not be cast on Resolution 4(b) by a member of the KMP or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on Resolution 4(b). This restriction on voting undirected proxies does not apply to the Chairman of the AGM acting as proxy for a person entitled to vote on Resolution 4(b) and the Proxy Form expressly authorises the Chairman of the AGM 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.

4. 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 a reasonable opportunity to ask questions about or comment on the activities of the Company. While shareholders will have the opportunity to submit questions online 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 ahead of the AGM to:

mfgcompany.secretary@magellangroup.com.au.

2021 Annual General Meeting – Thursday, 21 October 2021

AGM QUESTION FORM

Your questions regarding any matter relating to Magellan Financial Group Limited (the “**Company**”) that may be relevant to the 2021 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.

You may submit questions by emailing your questions to mfgcompany.secretary@magellangroup.com.au. Alternatively, you can fax your questions to +61 2 9235 4800. All questions must be received by 5:00pm AEDT on Friday 15 October 2021.

We will attempt to respond to as many of the more frequently asked questions as possible in the addresses by the Chairman and the Chief Executive Officer 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 and Chief Investment Officer** **Chief Executive Officer**

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

Question(s):