

Trading Policy

June 2022

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1. INTRODUCTION

Application

This Policy is authorised by the Board of Magellan Financial Group Limited ('**MFG**') and relates to trading in MFG Securities.

One of MFG's controlled entities, Magellan Asset Management Limited ('**Magellan**'), has adopted a Personal Trading Policy which applies to Trades in MFG Securities together with other securities related to the activities of MFG and its subsidiaries (collectively, the '**Group**'). The Personal Trading Policy together with this Policy apply to all Access Persons and Directors of the Group.

Purpose

The Purpose of this Policy is to:

- set out the circumstances in which Access Persons and Directors may Trade in MFG Securities;
- assist Access Persons and Directors to avoid conduct known as Insider Trading or market misconduct; and
- prevent actual or perceived conflicts of interest and protect the reputation of the Group.

2. GENERAL RESTRICTION

If an Access Person or Director possesses Inside Information in relation to MFG Securities, they must not:

- Trade in MFG Securities in any way;
- arrange or encourage another person to Trade (including on their behalf) in MFG Securities; or
- directly or indirectly, give the Inside Information to another person if they know, or should know, that the other person would be likely to do any of the activities described above.

3. TRADING IN MFG SECURITIES

3.1 Blackout Periods

Throughout the year, certain Blackout Periods operate during which time Access Persons and Directors must not Trade in MFG Securities. Blackout Periods operate during:

- the period commencing the first Trading Day after the end of a financial reporting period and concluding on the first Trading Day after the release by MFG of its half-year or full-year results announcements (as the case may be); and
- any other period as the Directors of MFG decide.

3.2 Short-Term Trading

Access Persons and Directors must not engage in short-term trading of any MFG Securities (other than options acquired under the Employee Options Plan). Buying and selling (or selling and buying) within a three (3) month period is considered short-term. However, subject to the pre-clearance requirements under Magellan's Personal Trading Policy, the sale of MFG Securities immediately after they have been acquired through the conversion of a security (for example, the exercise of an option) will not be regarded as short-term trading.

3.3 Other Trading Prohibitions

Access Persons and Directors are prohibited from entering into transactions:

- in derivative instruments or other products associated with MFG Securities which operate to limit the economic risk of their holding in MFG Securities;
- which amount to 'short selling' of MFG Securities;
- with an employee, individual or agent of a broker/dealer with whom the Group conducts business;
- which amount to margin lending of MFG Securities conducted without the prior written consent of the MFG Board; or
- which otherwise enable an Access Person or Director to profit from a decrease in the market price of MFG Securities.

3.4 Margin Loans

Margin lending of MFG Securities by Access Persons or Directors is prohibited except in exceptional circumstances that are acceptable to and have been approved by the MFG Board.

Where a margin loan has been approved by the MFG Board, the Access Person or Director is required to make a quarterly certification to confirm that in the event of a margin call during a Blackout Period, sufficient available cash or other acceptable collateral is available to meet any margin calls to provide reasonable assurance that a sale of MFG Securities would be prevented.

3.5 Trading in MFG Securities under Exceptional Circumstances

An Access Person or Director wishing to:

- Trade in MFG Securities during a Blackout Period; or
- engage in the matters covered by clauses 3.2 and 3.3 (inclusive),

may apply in writing to the CCO for consent. The CCO will generally withhold prior written consent unless special circumstances exist (such as financial hardship or a court order requiring the sale of securities) and as required above, will only consent when the MFG Board has granted consent. Any consent to an Access Person or Director will be provided in writing. In any event, consent will not be granted where it is reasonably believed that the Access Person or Director may be in possession of Inside Information relating to the proposed Trade.

4. PROCEDURE FOR TRADING IN MFG SECURITIES

Subject to clauses 3.1 to 3.3 (inclusive), and provided that an Access Person or Director is not in possession of Inside Information, an Access Person or Director who wishes to Trade in MFG Securities must submit a pre-clearance request and obtain approval (which is provided via email) as per MFG's Personal Trading Policy. Approvals once granted are valid for one (1) Trading Day unless otherwise notified.

The Access Person or Director will be notified by the CCO if the consent to Trade is subsequently withdrawn.

On execution of the Trade, the broker of the Access Person or Director is required to provide Risk and Compliance with a duplicate Trade confirmation.

In the event the proposed Trade has not taken place within the consent window, a new pre-clearance request must be submitted should the Access Person or Director still wish to proceed with the proposed Trade.

5. EXEMPTIONS FROM THIS POLICY

This Policy does not apply to Access Persons or Directors in the following circumstances:

- an investment in, or trading in any units of, a fund or any scheme (other than a scheme investing only in MFG Securities) where the Access Person or Director is not in the position to influence the Trading activities of that fund or scheme;
- Trading in MFG Securities under a dividend or distribution reinvestment plan, rights issue, bonus issue (made to all holders of securities of the same class), security purchase plan or other securities offer that is broadly available to holders of securities of the same class (whilst not subject to pre-clearance, updated holdings still require reporting to Risk and Compliance);
- any transfers between different accounts of the Access Person or Director where there is no change in the beneficial owner;
- undertakings to accept, or the acceptance of, a takeover offer for MFG Securities;
- Trading in MFG Securities under an employee share purchase plan in accordance with the rules of a Board approved share purchase plan.

Note that a trade which falls within these exemptions may still breach insider trading laws if it is undertaken by an Access Person or Director if in possession of Inside Information at the time.

6. MFG OPTIONS ACQUIRED UNDER EMPLOYEE OPTIONS PLAN

Once vested, MFG options acquired under the Staff Options Prospectus can be exercised to acquire the underlying MFG shares generally at any time (subject to pre-clearance). The MFG shares acquired however can only be sold in compliance with the Blackout Period as per Section 3.1 above and all such Trades must be pre-cleared.

7. CONSEQUENCES FOR BREACHES OF THIS POLICY

Violations of this policy are required to be reported to the CCO. All violations will be reviewed and may result in disciplinary action including but not limited to an oral or written warning, fines, and disgorgement of profits, personal trading bans, suspension, or termination of employment. In addition to sanctions, violations may result in referral to civil or criminal authorities where appropriate.

8. EXPLANATION OF TERMS

For the purposes of this Policy:

'Access Person' is defined as

- Executive Directors of MFG and Magellan;
- any employee of Magellan;
- contractors, consultants, workers or interns of the Group globally as determined by the CCO.

'Beneficiary' means any person who has the opportunity, directly or indirectly, to profit or share in any gains derived from Trades in MFG Securities. As a guide, accounts in which an Access Person or Director is likely to be deemed to have a beneficial ownership interest include accounts held by immediate family members with whom they share the same household (a family member is deemed to share the same household if they reside with an Access Person or Director for six (6) months out of any twelve (12) month period).

Immediate family members include children, step-children, grandchildren, parents, step-parents, grandparents, spouses, domestic partners, siblings, parents-in-law, and children-in-law, as well as adoptive relationships.

'Blackout Period' has the meaning outlined in clause 3.1 of this Policy.

'CCO' means Chief Compliance Officer

'Generally Available' in relation to information means generally available information that is readily observable, has been made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in securities of a kind whose price may be affected by the information, and a reasonable period has elapsed to allow the information to be disseminated; or consists of deductions, conclusions or inferences made or drawn from those types of the information.

'Inside Information' is information that is not generally available and if the information was generally available, a reasonable person would expect it to have a material effect on the price or value of securities.

'Insider Trading' means in general terms, someone will commit Insider Trading if they deal in securities while they possess Inside Information or communicate Inside Information to another person knowing (or where they should have reasonably known) that the other person would use, or would be likely to use, that information to deal in, or procure a third person to deal in, securities.

'MFG Securities' means any shares, options and any other securities issued by MFG, as well as any other financial products issued or created over MFG Securities by third parties.

'Material Effect on Price' means a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to Trade in the securities in any way.

'Staff Options Prospectus' means the prospectus dated April 2022 for the offer of MFG Options to eligible Access Persons.

'Trade' includes subscribing for, purchasing, acquiring, selling or disposing of MFG Securities or entering into an agreement to do any of those things, and **'Trading'** has a corresponding meaning.

'Trading Day' means a day on which shares are traded on the Australian Securities Exchange.