

25 January 2022

Angel He
Adviser, Listings Compliance (Sydney)
BY EMAIL: ListingsComplianceSydney@asx.com.au

Dear Ms He

MAGELLAN FINANCIAL GROUP LTD (“MFG”)
Appendix 3Y – Change of Director’s Interest Notice Query

We refer to your letter dated 24 January 2022 in relation to the Appendix 3Y for Mr. Hamish Douglass lodged on 21 January 2021 and provide the following responses to your requests for information:

1. Please explain why the Appendix 3Y was lodged late

The Appendix 3Y relates to the acquisition by Mr. Hamish Douglass of units in each of the following funds, in respect of which Magellan Asset Management Limited (a wholly owned subsidiary of MFG) is the responsible entity:

- the unquoted Magellan High Conviction Fund (units issued on 1 January 2022); and
- the quoted Magellan Global Fund (Open Class) and Magellan High Conviction Trust (units issued on 19 January 2022).

The change in Mr. Douglass’ interests arose as a result of his participation in the distribution reinvestment plan for the interim distribution of each of these funds.

The Appendix 3Y for the units in the unquoted Magellan High Conviction Fund issued on 1 January 2022 was lodged late due to an administrative oversight, with one of the contributing factors being the different distribution dates for the unquoted funds (1 January 2022) and the quoted funds (19 January 2022).

2. What arrangements does MFG have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

MFG and its directors are aware of their obligations under the ASX Listing Rules including Listing Rules 3.19A and 3.19B. Pursuant to their agreement with MFG, each Director is required to provide information to the Company Secretaries regarding notifiable interests and any changes in those notifiable interests. We confirm that Mr. Douglass met his obligation to inform the Company Secretaries.

3. If the current arrangements are inadequate or not being enforced, what additional steps does MFG intend to take to ensure compliance with Listing Rule 3.19B?

The delayed notification of the 1 January 2022 change was due to an administrative oversight, which has been identified and addressed. While we consider that our arrangements with Directors to ensure compliance with Listing Rule 3.19B are adequate and are enforced, MFG has reviewed its processes and has further strengthened its controls to prevent recurrence.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'M Venegas', with a stylized, cursive script.

Marcia Venegas
Company Secretary



24 January 2022

Reference: 45618

Ms Marcia Venegas
Head of Risk, Compliance and Legal/Company Secretary
Magellan Financial Group Limited
Level 36
25 Martin Place
Sydney NSW 2000

By email

Dear Ms Venegas

Magellan Financial Group Limited ('MFG'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. MFG's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 21 January 2022 for Mr Hamish Douglass (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*

3. Listing Rule 3.19B which states that:

'An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.'

The Notice indicates that a change in Mr Douglass's notifiable interest occurred on 1 January 2022. It appears that the Notice should have been lodged with ASX by 10 January 2022. Consequently, MFG may have breached Listing Rules 3.19A and/or 3.19B.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does MFG have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does MFG intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2.30 PM AEDT Thursday, 27 January 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MFG's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MFG to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading Halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in MFG's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in *Guidance Note 16 Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MFG's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MFG's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MFG's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Angel He
Adviser, Listings Compliance (Sydney)