



*Trusted since 1888*

Equity Trustees Limited  
ABN 46 004 031 298  
AFS Licence No 240975  
RSE Licence No L0003094

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31 October 2014

Manager Companies  
Company Announcements Office  
Australian Securities Exchange Limited  
Level 4, Stock Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**Results of Annual General Meeting  
Equity Trustees Limited**

In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act, we advise details of the resolutions and the proxies received in respect of each resolution are set out in the attached proxy summary.

Yours faithfully

**Philip Maddox**  
Company Secretary



**2) To adopt the remuneration report**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
7,484,306	307,551	105,753	353,692

The motion was carried as an ordinary resolution on a show of hands.

**3A) Re-election of Mr David Frederick Groves as Director**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
8,227,880	49,208	20,000	447,237

The motion was carried as an ordinary resolution on a show of hands.

**3B) Re-election of The Hon Jeffrey Gibb Kennett as Director**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
8,199,151	66,134	56,470	422,570

The motion was carried as an ordinary resolution on a show of hands.

**3C) Election of Mr Michael (Mick) Joseph O'Brien as Director**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
8,188,115	88,973	20,000	447,237

The motion was carried as an ordinary resolution on a show of hands.

**4) Increase in Non-Executive Directors' remuneration**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
7,503,095	395,340	84,093	347,837

The motion was carried as an ordinary resolution on a show of hands.

**5) Approval of Long-Term Incentive Award for Managing Director**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Abstain	Proxy's discretion
7,860,739	379,673	62,676	441,237

The motion was carried as an ordinary resolution on a show of hands.

**6) Approval & ratification of 24 April 2014 placement**

The instructions given to validly appointed proxies in respect of the resolution were as follows:

<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Proxy's discretion</b>
1,195,217	183,415	107,268	411,443

The motion was carried as an ordinary resolution on a show of hands.

## **Notice of Meeting**

Notice is hereby given that the Annual General Meeting of members of Equity Trustees Limited will be held at the RACV Club, Level 2, 501 Bourke Street, Melbourne on Friday 31 October 2014 at 11.00am.

### **Ordinary Business**

1. To receive and consider the financial statements and the reports of the directors and auditor for the year ended 30 June 2014.
2. To adopt the remuneration report for the year ended 30 June 2014.
3. To consider the election of directors:
  - a) Mr David Frederick Groves retires in accordance with Rule 49 of the Company's Constitution and, being an eligible person, offers himself for re-election
  - b) The Hon Jeffrey Gibb Kennett AC retires in accordance with Rule 49 of the Company's Constitution and, being an eligible person, offers himself for re-election
  - c) Mr Michael (Mick) Joseph O'Brien having been appointed in accordance with Rule 48 of the company's Constitution since the last Annual General Meeting, retires in accordance with that Rule and, being an eligible person, offers himself for election

### **Special Business**

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

"That the maximum aggregate remuneration which may be paid to non-executive directors of the Company under Rule 50 of the Constitution be increased from \$900,000 per annum to \$1,250,000 per annum, with effect from 1 January 2015."
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That approval is given for the grant to the Managing Director, Mr Robin Burns, of an Award to receive ordinary shares in the Company as described in the Explanatory Notes to the notice convening this meeting, and that such approval be given for the purpose of ASX Listing Rule 10.14 and for all other purposes."
6. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That approval and ratification be given to the issue and allotment by the Company of 2,168,328 fully paid, ordinary shares to institutional and professional investors at the price of A\$17.00 each, as issued and allotted on 24 April 2014 and as described in the Explanatory Notes to the notice convening this meeting, and that such approval and ratification be given for the purpose of ASX Listing Rule 7.4 and for all other purposes."

575 Bourke Street  
Melbourne  
24 September 2014

**By Order of the Board**  
**Philip Maddox**  
**Company Secretary**

## **Eligibility to Vote**

For the purpose of voting at the Annual General Meeting, the Directors have determined that all shares in the Company are taken to be held by the persons who are registered as holding them at 7.00 pm (Melbourne time) on Wednesday 29 October 2014.

The entitlement of shareholders to vote at the Annual General Meeting will be determined by reference to that time.

## **Voting Exclusions**

The *Corporations Act 2001* (Cth) (***Corporations Act***) and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by such persons, on four of the resolutions to be considered at the Annual General Meeting. These voting exclusions are described below:

### **Item 2 ('Adoption of the Remuneration Report for the year ended 30 June 2014')**

A member of the key management personnel for the EQT consolidated group (each a KMP) whose remuneration details are included in the Remuneration Report (and any closely related party of any such KMP), must not vote, and the Company will disregard any votes cast by that person, on the resolution in item 2 (Resolution 2).

A member of the KMP as at the date of the Annual General Meeting (and any closely related party of any such KMP) whose remuneration details are not included in the Remuneration Report, and who is appointed as a proxy, must not vote in that capacity, and the Company will disregard any votes cast by that person in that capacity, on Resolution 2.

However, in relation to both circumstances contemplated above, a member of the KMP (and any closely related party of any such member), may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a member of the KMP whose remuneration details are included in the Remuneration Report (or a closely related party of any such member) and either:

- that person is appointed a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- that person is the Chairman of the Annual General Meeting and the appointment of the Chairman as proxy:
  - does not specify the way the proxy is to vote on the resolution; and
  - expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the EQT consolidated group.

### **Item 4 ('Approval of increase in maximum aggregate remuneration for non-executive directors')**

The following persons may not vote, and the Company will disregard any votes cast by the following persons, on the resolution proposed in item 4 (Resolution 4):

- Any Director of the Company and any of their associates. However, the Company need not disregard a vote if:
  - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - it is cast by the Chairman of the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

- A KMP (or a closely related party of any KMP), on the basis of their appointment as a proxy, where the proxy appointment does not specify the way the proxy is to vote on Resolution 4 , unless:
  - the proxy is the Chairman of the Annual General Meeting; and
  - the proxy appointment expressly authorises the Chairman to exercise the proxy even if Resolution 4 is connected directly or indirectly with the remuneration of a KMP.

#### **Item 5 ('Approval of Long-term Incentive Award for Managing Director')**

The following persons may not vote, and the Company will disregard any votes cast by the following persons, on the resolution proposed in item 5 (Resolution 5):

- Mr Robin Burns and any of his associates. However, the Company need not disregard a vote if:
  - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - it is cast by the Chairman of the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
- A KMP (or a closely related party of any KMP), on the basis of their appointment as a proxy, where the proxy appointment does not specify the way the proxy is to vote on Resolution 5 , unless:
  - the proxy is the Chairman of the Annual General Meeting; and
  - the proxy appointment expressly authorises the Chairman to exercise the proxy even if Resolution 5 is connected directly or indirectly with the remuneration of a KMP.

#### **Item 6 ('Approval and ratification of 24 April 2014 placement to institutional and professional investors')**

The following persons may not vote, and the Company will disregard any votes cast by the following persons, on the resolution proposed in item 6 (Resolution 6):

- any person that received shares in the 24 April 2014 placement and any of their associates. However, the Company need not disregard a vote if:
  - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - it is cast by the Chairman of the Annual General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

For the purposes of these voting exclusions:

The '**key management personnel for the EQT consolidated group**' (or **KMPs**) are those persons having authority and responsibility for planning, directing and controlling the activities of the EQT consolidated group either directly or indirectly. It includes all Directors (Executive and Non-Executive). The KMPs during the year ended 30 June 2014 are listed in the Remuneration Report contained in the Directors' Report for the year ended 30 June 2014.

A **'closely related party'** of a KMP means:

- a spouse or child of the KMP; or
- a child of the KMP's spouse; or
- a dependant of the KMP or of the KMP's spouse; or
- anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the EQT consolidated group; or
- a company the KMP controls.

The Company will also apply these voting exclusions, on an equivalent basis, to persons appointed as attorney by a shareholder to attend and vote at the Annual General Meeting under a power of attorney.

### **Proxies**

A member of the Company entitled to attend and vote at the Annual General Meeting has the right to appoint a Proxy. The Proxy Form must be signed by the member or by an attorney of the member.

A Proxy need not be a member of the Company. If the member is entitled to cast two or more votes at the meeting, the member may appoint two Proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each Proxy may exercise, each Proxy may exercise half the votes.

A Proxy Form accompanies this Notice of Meeting. For the appointment of a proxy to be effective for the meeting, the Proxy Form must be received at least 48 hours before the meeting by the Share Registry of the Company, by mail (reply paid envelope enclosed): Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, by hand: Computershare Investor Services Pty Limited, located at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067, or the company's Registered Office at Level 2, 575 Bourke Street, Melbourne, or by fax on (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555. For Intermediary online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

### **Undirected Proxies**

The Chairman of the Annual General Meeting intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions noted above).

### **Voting by Corporate Representative**

A shareholder or proxy which is a corporation and entitled to attend and vote at the Annual General Meeting may appoint an individual to act as its corporate representative.

Evidence of the appointment of a corporate representative must be in accordance with section 250D of the Corporations Act and be lodged with the Company before the Annual General Meeting or at the registration desk on the day of the Annual General Meeting.

### **Voting by Attorney**

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint an attorney to attend and vote at the Annual General Meeting on the shareholder's behalf. An attorney need not themselves be a shareholder.

The power of attorney appointing the attorney must be signed and specify the name of each of the shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms.

### **Evidence of execution**

If a Proxy Form or appointment of a corporate representative is signed on behalf of an individual or a corporation under power of attorney or other authority, the power of attorney or other authority under which the relevant instrument is signed, or a copy of that power of attorney or other authority, certified as a true copy by statutory declaration, must accompany the instrument unless the power of attorney or other authority has previously been noted by the Company's Share Register.

### **Shareholder Questions**

Members entitled to vote at the meeting may submit written questions for the Chairman of the Annual General Meeting or the auditor. Please note that any questions to the auditor must be relevant to the content of the Auditor's Report or the conduct of the audit of the Company's consolidated financial report for the year ended 30 June 2014.

To allow time to collate questions and prepare answers, submitted written questions need to be received by the registry by 5.00 pm on 24 October 2014.

## **EXPLANATORY NOTES**

### **Item 2: Adoption of Remuneration report for the year ended 30 June 2014**

The Remuneration Report of the Company for the financial year ended 30 June 2014 forms part of the Directors' Report and is set out on pages 8 to 16 of the Company's 2014 Annual Report, which is available on the Company's website at [www.eqf.com.au](http://www.eqf.com.au).

Shareholders will be given reasonable opportunity at the Meeting to ask questions about, and comment on, the Remuneration Report.

A 25% or higher "no" vote on the Remuneration Report at an AGM triggers a reporting obligation on a listed company to explain in its next Annual Report how concerns are being addressed.

The Board encourages shareholders to read the 2014 Remuneration Report and vote on this important resolution.

### **Item 3: Election of Directors**

A brief biographical description of each retiring director is included in the 2014 Annual Report.

Mr David Groves retires by rotation and offers himself for re-election.

The Board, other than Mr Groves, has reviewed Mr Groves' performance. The Board believes that Mr Groves has performed well and continues to make a valuable contribution to the Board. The Board concluded that Mr Groves should be proposed for re-election and accordingly recommends that you vote in favour of Mr Groves' re-election.

The Hon Jeffrey Kennett retires by rotation and offers himself for re-election.

The Board, other than Mr Kennett, has reviewed Mr Kennett's performance. The Board believes that Mr Kennett has performed well and continues to make a valuable contribution to the Board. The Board concluded that Mr Kennett should be proposed for re-election and accordingly recommends that you vote in favour of Mr Kennett's re-election.

Mr Michael (Mick) O'Brien retires in accordance with Rule 48 of the Constitution and offers himself for election.



The Board, other than Mr O'Brien, has reviewed Mr O'Brien's performance since his appointment in July this year. The Board believes that Mr O'Brien's broad wealth management experience will add to the strengths of the existing Board members and recommends that you vote in favour of the election of Mr O'Brien.

#### **Item 4: Increase in maximum aggregate Non-Executive Directors' remuneration**

This resolution seeks the approval of shareholders in accordance with Rule 50 of the Company's Constitution to increase the aggregate remuneration payable to non-executive directors from the current level of \$900,000 per annum to \$1,250,000 per annum, to be effective from 1 January 2015.

The current cap on the aggregate remuneration that may be paid to non-executive directors was set in 2012. At that time, it had been envisaged that a process of Board renewal would be initiated, requiring greater flexibility than then existed to manage new appointments ahead of planned retirements. As it transpired, the Company pursued two significant acquisitions, during which time the succession planning process was put on hold. It has only now been reinstituted with the appointment of an additional non-executive director in Mr Mick O'Brien. Another appointment is planned for next year ahead of the staged retirement of some of the longer serving directors. As a consequence, the current cap is insufficient to allow the Company to flexibly manage the changes contemplated to the Board.

In addition, there have been no increases to base fees since 2011. A review of directors' remuneration is planned should this resolution be passed. The review would take into account the increase in the responsibilities of directors flowing from organic growth in the Company's business, the acquisition of ANZ Trustees, and the current market for directors' remuneration. Any increases flowing from the review would take effect from 1 January, 2015.

In the absence of any major changes to the Company's operations, a further review of the aggregate remuneration limit should not be required within the next three years.

#### **Item 5: Long-Term Incentive Award for the Managing Director, Mr Robin Burns**

In 1999, shareholders approved the establishment of the Equity Trustees Limited Executive Performance Share Plan 1999 (the **Plan**). In broad terms, the Plan provides for the Company to grant certain rights (**Awards**) to eligible executives and to be issued ordinary shares in the Company if certain performance criteria are satisfied. The purpose of the Plan is to attract, retain and reward well performing executives. The terms and conditions of issue of Awards are at the complete discretion of the Board.

The purpose of this resolution is to seek the approval of shareholders to grant an Award under the Plan to the Managing Director, Mr Robin Burns, in accordance with the terms and conditions of the Plan, which are broadly outlined below. This Award is the 2014/15 series, with a commencement date of 1 July 2014.

The structure of executive compensation at Equity Trustees is a combination of:

- a fixed annual remuneration;
- a short term incentive (STI) payable annually in cash, based on the achievement of certain corporate and personal objectives relative to the Company's annual business plan and strategic goals; and
- a long term incentive (LTI) awarded in shares if pre-agreed targets are achieved over a three year period.

The intention is to structure executive compensation such that, depending on seniority, a significant proportion of total remuneration is 'at risk' and dependent on corporate and personal performance. The underlying principle is that executive rewards should flow as and when commensurate rewards flow to shareholders.

The Managing Director's fixed annual remuneration is currently \$580,000.

The components of 'at risk' compensation for the Managing Director are as follows:

- STI – up to 60% of fixed annual remuneration, payable in cash, and
- LTI – up to 60% of fixed annual remuneration, awarded in shares.

For the purposes of the STI, the objectives will be expressed in terms of the business plan parameters, including profitability, revenue growth, leadership, culture, etc and documented as part of the annual business planning cycle.

For the purposes of the LTI, the Award is determined by targets based on two components:

- 50% Total Shareholder Return (TSR)
- 50% Earnings per Share Growth (EPS).

The key components of the Award proposed to be granted to Mr Burns are as follows:

- The grant date for this Award is 31 October 2014, with the Award being conditional upon approval by shareholders at this meeting. If approved, the Award will be issued to Mr Burns on 3 November 2014.
- The Award covers a three year period, commencing 1 July 2014.
- At the commencement of the three year period, the dollar value of the Award is determined – i.e. 60% (or such other percentage determined by the Board) multiplied by the Managing Director's fixed annual remuneration.
- The dollar value of the Award is then divided by the volume weighted average price (VWAP) of EQT shares traded on the ASX during the 3 months prior to the commencement of the three year period applicable to the Award to give the number of EQT shares subject to the Award for the three year period. The VWAP for the 2014/15 Award series is \$18.13.
- The maximum number of shares subject to this Award is 19,194.
- EQT shares are only issued if TSR and/or EPS criteria (as described below) have been met at the completion of the three year period.
- There is no price paid or payable if shares are issued.
- Once shares are issued, they are subject to a disposal restriction period for up to a further four years, after which they are released to the individual.
- During the disposal restriction period, dividends paid or reinvested are owned by the Managing Director.
- Any variation in share price over the three year period, as well as the disposal restriction period, is to the benefit/detriment of the Managing Director.
- The Managing Director is responsible for his personal taxation obligations in relation to ownership, sale or dividends received.
- Resignation during the three year measurement period terminates the Award and the value to the Managing Director is nil.
- Details of shares issued under the Plan are recorded in the Annual Report in respect of the period during which the shares are issued.
- Apart from the Managing Director, shareholder approval is currently not required in respect of participants under the Plan.

50% of the Award will be subject to a TSR condition. The achievement of the TSR target is determined by reference to the increase in EQT share price plus dividends reinvested over the three year period compared to a suitable Comparator Group, and linked to the following vesting scale:

- If the EQT TSR is less than the 50<sup>th</sup> percentile, then: nil share allocation
- If EQT TSR is equal to the 50<sup>th</sup> percentile, then: 50% share allocation
- If EQT TSR is equal to the 75<sup>th</sup> percentile, then: 100% share allocation
- If between the 50<sup>th</sup> and 75<sup>th</sup> percentile, then: Prorata share allocation

50% of the Award will be subject to an EPS condition. The achievement of the EPS target is determined by reference to the growth in normalised EPS over the three year period. Normalised EPS is based on pre-tax profit excluding profit/losses on sale of investments and based on the reported weighted average shares on issue during each year. The vesting scale is as follows:

- If growth in EQT EPS is less than 5% pa, then: nil share allocation
- If growth in EQT EPS is 5% pa, then 25% share allocation
- If growth in EQT EPS is 15% pa, then: 100% share allocation
- If growth in EQT EPS is between 5% pa and 15% pa, then: Prorata share allocation

For each component of the Award, the performance assessment is after each three year period. If necessary, where there is no TSR component of the Award granted after the three year period, the final reassessment of TSR will be made at the end of the fourth year. If the full TSR component of the Award is not achieved at that time, the non-achieved balance of the TSR component of the Award lapses.

Once shares are issued they fully vest to the Managing Director, subject to the disposal restriction period of up to four years.

LTI Awards may be made annually at the discretion of the Board. In some years there may be no Awards made.

The extent of participation in both the STI and LTI arrangements, within the above limits, will be at the discretion of the Board, having regard to corporate results and the personal performance of the Managing Director. Each Award under the LTI will be subject to its own TSR and EPS three year target.

In relation to the prior year Award (2013/14, as approved by shareholders at the Annual General Meeting on 25 October 2013), 19,915 Awards were issued to Mr Burns on 28 October 2013.

This resolution is being put to shareholders of the Company for the purposes of ASX Listing Rule 10.14, which requires shareholder approval for the issue of shares to directors under an employee incentive scheme. If the resolution is passed, it will also mean that the grant of the 2014/15 Award series to the Managing Director will not utilise any of the Company's placement capacity under Listing Rule 7.1. No further shareholder approval under Listing Rule 7.1 is needed for that purpose.

#### **Item 6: Approval and ratification of 24 April 2014 placement to institutional and professional investors**

As part of the capital raising undertaken by the Company in April 2014, a placement of shares to institutional and professional investors was undertaken. That placement utilises part of the Company's 15% placement capacity under ASX Listing Rule 7.1. The resolution proposed in item 6 ratifies the placement for ASX Listing Rule 7.1 purposes. This means that, if the

resolution is passed, the placement will not count towards the Company's 15% placement capacity under ASX Listing Rule 7.1.

The ASX Listing Rules require the following information to be provided to shareholders in connection with this resolution:

- the placement involved the issue of 2,168,328 fully paid, ordinary shares in the Company;
- the shares were allotted to a range of institutional and professional investors;
- the funds raised by the placement were used to fund the acquisition of the ANZ Trustees business;
- the shares were issued on 24 April 2014;
- the issue price per share was \$17.00; and
- the shares issued under the placement ranked equally with the existing ordinary shares on issue from the date of their issue.