

15 July 2019

ASX Limited  
 ASX Market Announcements Office  
 Exchange Centre  
 20 Bridge Street  
 SYDNEY NSW 2000

## **MAGELLAN FINANCIAL GROUP LIMITED**

### **Executive Remuneration – Chief Executive Officer, Dr Brett Cairns**

Magellan Financial Group Limited ('MFG') advises that an amendment to the terms of the Executive Employment Agreement ('Agreement') has been agreed between MFG, Magellan Asset Management Limited (a controlled entity of MFG) and Dr Brett Cairns, Chief Executive Officer.

The amended Agreement was executed by parties on 15 July 2019 and will have effect from 1 July 2019.

A summary of the amendments to the Agreement are set out in the table below. All other terms of the Agreement remain unchanged.

<b>Fixed remuneration</b>	<ul style="list-style-type: none"> <li>Annual base salary will increase to \$1,545,000 (inclusive of superannuation) effective 1 July 2019.</li> <li>Fixed remuneration to increase by 3% each year.</li> </ul>
<b>Variable remuneration</b>	<ul style="list-style-type: none"> <li>Eligible to receive variable remuneration of up to 50% of fixed remuneration based on performance metrics the Board believes are important to the long-term success of the business and over which Dr Cairns has direct influence.</li> <li>The four performance metrics for the year ended 30 June 2020 are: Delivery of Key Strategic Projects; Leadership, People and Culture; Compliance, Governance and Cybersecurity; and Operational Effectiveness.</li> <li>The Remuneration and Nominations Committee will determine the amount to be awarded on an annual basis with regard to the determined performance metrics.</li> <li>The Board will, in consultation with Dr Cairns, review the performance metrics that will apply, and their respective weightings, from 1 July each year.</li> </ul>
<b>SPP participation</b>	<ul style="list-style-type: none"> <li>Subject to approval by shareholders, eligible to participate in a one-off Share Purchase Plan (SPP) offer of up to \$5,000,000 with a tenure of 10 years.</li> <li>Subject to approval by shareholders, 100% financial assistance to be provided by MFG on full recourse and interest free basis.</li> <li>100% of annual awarded variable remuneration (net of tax) directed to repay the financial assistance and all dividends earned on SPP shares will be directed to repayment of the SPP financial assistance.</li> </ul>
<b>Review</b>	<ul style="list-style-type: none"> <li>Arrangements relating to Dr Cairns' remuneration package to be reviewed in 3 years' time.</li> </ul>

For further information, please contact:

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