



# Notice of AGM 2018

**Link Administration Holdings Limited**  
ABN 27 120 964 098





10 October 2018

Dear Link Group Shareholder

On behalf of the Directors of Link Administration Holdings Limited (**Link Group**), I am pleased to invite you to attend the 2018 Annual General Meeting (**AGM**) of Link Group. Enclosed is the Notice of Meeting that sets out the business of the AGM.

Link Group's 2018 AGM will be held on Friday, 16 November 2018 commencing at 11:30am (AEDT) at Dexus Place, Level 15, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW.

At Link Group, our goal is to increase investor engagement and encourage investor participation. Link Group is therefore pleased to once again offer its technology to engage with our investors at our AGM.

All Link Group investors can participate in the AGM through our online platform at <https://agmlive.link/LNK18>. Further details on how to participate in the AGM online are set out in the attached Notice of Meeting and in the Link Group Online Platform Guide. The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully log in and navigate the site. The Online Platform Guide will be released to the ASX and is also available on our website at [www.linkgroup.com](http://www.linkgroup.com) (under Investors, then Annual General Meetings).

If you are attending the AGM in person, please bring the enclosed Voting Form with you to assist with your registration. You can also download the LinkVote App from the Apple App Store or Google Play\* if you would like to vote during the AGM using your mobile phone or tablet device. The LinkVote App will be available for download prior to the AGM. Paper voting forms will also be available at the AGM for shareholders who would prefer not to use the LinkVote App.

If you are unable to attend the AGM, I encourage you to complete and return the enclosed Voting Form no later than 11:30am (AEDT) on Wednesday, 14 November 2018 in one of the ways specified in the Notice of Meeting and on the Voting Form.

\* Google Play is a trademark of Google Inc.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Voting Form and consider how to vote on each resolution by marking either the “For” box, the “Against” box or the “Abstain” box on the Voting Form. Subject to the abstentions noted in the Explanatory Memorandum, the Directors of Link Group unanimously recommend that shareholders vote in favour of all resolutions.

Shareholders participating in the AGM, whether through our online platform or in person, will have the opportunity to submit questions to the Board and Link Group’s external auditors during the AGM. If you would like to ask a question prior to the AGM, please do so through our Investor Centre (login via [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)), or alternatively submit the enclosed AGM Question Form.

For those shareholders joining us in person, you are very welcome to join the Board and the Senior Executive team for light refreshments following conclusion of the AGM.

Thank you for your continued support of Link Group. I look forward to your attendance and the opportunity to engage with you at our 2018 AGM.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Carapiet", with a long horizontal flourish underneath.

**Michael Carapiet**  
Chair

# Notice of Annual General Meeting

## Link Administration Holdings Limited ABN 27 120 964 098

Notice is given that the Annual General Meeting (AGM or Meeting) of shareholders of Link Administration Holdings Limited (Link Group or Company) will be held:

**Date:** Friday, 16 November 2018

**Time:** 11:30am (AEDT)

**Venue:** Dexus Place, Level 15, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Voting Procedures and Voting Form comprise part of this Notice of Meeting.

## Consideration of Reports

To receive and consider the Annual Financial Report, the Directors' Report and the Independent External Auditor's Report of the Company for the financial year ended 30 June 2018.

All shareholders can view the Annual Report which contains the Financial Report for the year ended 30 June 2018 on the Investors page of the Link Group website at [www.linkgroup.com](http://www.linkgroup.com).

## Questions and Comments

Following consideration of the Reports, the Chair will give shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chair will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent External Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent External Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

## Items for Approval

### Resolution 1. Election of Director – Andrew Green

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That Andrew Green, who retires in accordance with clause 15.10 of the Company’s Constitution and being eligible for election, be elected as a Director of the Company.”*

### Resolution 2. Re-election of Director – Glen Boreham, AM

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That Glen Boreham, who retires in accordance with clause 15.6 of the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company.”*

### Resolution 3. Re-election of Director – Fiona Trafford-Walker

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

*“That Fiona Trafford-Walker, who retires in accordance with clause 15.6 of the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company.”*

### Resolution 4. Remuneration Report

To consider and if thought fit, pass the following as an advisory resolution of the Company:

*“That the Link Group Remuneration Report for the financial year ended 30 June 2018 be adopted.”*

The Remuneration Report is contained in the 2018 Link Group Annual Report, which is available on the Investors page at [www.linkgroup.com](http://www.linkgroup.com). Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth) (**Corporations Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

### Voting Exclusion Statement

A vote on Resolution 4 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a member of the Key Management Personnel (KMP) whose remuneration details are included in the 2018 Remuneration Report; or
- a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 4 as a proxy if the vote is not cast on behalf of a person described above and either:

- the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- the vote is cast by the Chair of the Meeting and the appointment of the Chair as proxy:
  - does not specify the way the proxy is to vote on the resolution; and
  - expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

“Key management personnel” and “closely related party” have the same meanings as set out in the Corporations Act.

## **Resolution 5. Approval of Managing Director's Participation in the Link Group Omnibus Equity Plan**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 186,430 Performance Share Rights to John McMurtrie, Managing Director, under the Link Group Omnibus Equity Plan on the terms described in the Explanatory Memorandum accompanying the Notice of Meeting, be approved."*

### **Voting Exclusion Statement**

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 5 by, or on behalf of John McMurtrie or his associates.

However, the Company need not disregard a vote cast on Resolution 5 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 appointment; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Voting Form to vote as the proxy decides.

In addition, a vote must not be cast on Resolution 5 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting because the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

## **Resolution 6. Ratification of Prior Issue of Placement Shares**

To consider, and if thought appropriate, pass the following as an ordinary resolution of the Company:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue of 35,294,118 shares on 23 April 2018, as described in the Explanatory Memorandum accompanying the Notice of Meeting, be ratified."*

### **Voting Exclusion Statement**

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 6 by, or on behalf of, any person who participated in the issue of shares to institutional and sophisticated investors (**Placement**) on 23 April 2018 or their associates.

However, the Company need not disregard a vote cast on Resolution 6 if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy appointment; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Voting Form to vote as the proxy decides.

## **Resolution 7. Reinsertion of Proportional Takeover Provisions in the Constitution**

To consider and, if thought fit, to pass the following as a special resolution of the Company:

*“That the Company’s Constitution (**Constitution**) be amended by reinserting the proportional takeover provisions in clause 27 of the Constitution, to operate for a period of three years commencing from the date of this Annual General Meeting.”*

By order of the Board.

A handwritten signature in black ink, appearing to read 'Cassandra Hamlin', written in a cursive style.

**Cassandra Hamlin**

Company Secretary

10 October 2018

# Voting Procedures at the AGM

## All Resolutions will be by Poll

In accordance with clause 14.14 of the Company's Constitution (**Constitution**), the Chair intends to demand a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by a poll, rather than on a show of hands. The Chair considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the Meeting.

## Direct Voting

In accordance with clause 14.23 of the Constitution, the Directors:

- have determined that at the AGM, a shareholder who is entitled to attend and vote on a resolution at the AGM is entitled to a direct vote in respect of that resolution; and
- have approved the use of the LinkVote App and Link Group's online platform as means by which shareholders can deliver their direct vote.

## Casting your Direct Vote in real time using Link Group's Online Platform

To facilitate shareholder participation, and in accordance with his powers under clause 14.6 of the Constitution, the Chair has determined that shareholders who are unable to attend the AGM in person will have the opportunity to participate in the Meeting through Link Group's online platform at <https://agmlive.link/LNK18>. If you use the online platform, you will be able to view the AGM live, lodge a direct vote in real time and ask questions online.

Those shareholders present at the AGM in person (including by proxy, attorney or by representation appointed under section 250D of the Corporations Act and excluding those using the online platform) will be counted as part of the Meeting for all other purposes (including for the purposes of any provision of the Constitution).

## Eligibility to Vote

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (AEDT) on Wednesday, 14 November 2018 will be entitled to vote at the AGM as a shareholder.



## How to Vote

### Direct vote – prior to the AGM

In accordance with clause 14.23 of the Constitution, shareholders will be able to vote directly on resolutions considered at the Meeting at any time between the date of this Notice of Meeting and 11:30am (AEDT) on Wednesday, 14 November 2018. For details about how you can submit your Voting Form, please refer to the section below titled ‘Submitting your Voting Form prior to the AGM’.

If you lodge a direct vote you are voting directly and are not appointing a third party, such as a proxy, to act on your behalf.

The Link Group Direct Voting Regulations are available on the Link Group website at [www.linkgroup.com](http://www.linkgroup.com) (under Investors, then Annual General Meetings). By submitting a direct vote, you agree to be bound by the Link Group Direct Voting Regulations.

### Direct vote – during the AGM using Link Group’s Online Platform

Shareholders using Link Group’s online platform (at <https://agmlive.link/LNK18>) will be able to vote directly through the online platform at any time between the commencement of the AGM (11:30am AEDT on Friday, 16 November 2018) and the closure of voting as announced by the Chair during the AGM.

More information about how to use the online platform (including how to vote and ask questions online during the AGM) is available in the Online Platform Guide, which has been lodged with the ASX and is available on our website at [www.linkgroup.com](http://www.linkgroup.com) (under Investors, then Annual General Meetings). If you intend to use the online platform, then before the AGM we recommend that you ensure the online platform works on your device. Further instructions are provided in the Online Platform Guide.

The Link Group Direct Voting Regulations governing direct voting are available on the Link Group website at [www.linkgroup.com](http://www.linkgroup.com) (under Investors, then Annual General Meetings). By submitting a direct vote, you agree to be bound by the Link Group Direct Voting Regulations.

### Attending the AGM in person

Shareholders attending the AGM in person are encouraged to bring the enclosed Voting Form to the AGM to assist with registration.

## ***LinkVote App***

Shareholders attending the AGM in person can download the LinkVote App from the Apple App Store or Google Play\* if they would like to direct vote during the Meeting using their mobile phone or tablet device.

The LinkVote App will be available for download prior to the AGM and Link Group representatives will be available at the AGM to assist shareholders with any questions they may have on the day with respect to using the LinkVote App. The LinkVote App Mobile Voting Guide has been lodged with the ASX and is available on our website at [www.linkgroup.com](http://www.linkgroup.com) (under Investors, then Annual General Meetings).

Paper forms will also be available at the AGM for shareholders who prefer not to use the LinkVote App.

## ***Appointment of Proxy***

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise one-half of that shareholder's votes.

## **Impact of your Proxy Appointment on your Proxy Voting Instructions**

If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on resolutions 4 and 5, then by submitting the proxy appointment you will be expressly authorising the Chair to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

## **The Chair's voting intentions**

The Chair intends to vote undirected proxies on, and in favour of, all the proposed resolutions.

\* Google Play is a trademark of Google Inc.

## Submitting your Voting Form prior to the AGM

To be valid, a Voting Form must be received by the Company in the manner set out in this Notice of Meeting.

The Chair's decision on the validity of a direct vote, vote cast by a proxy or vote cast in person, is conclusive and the Company reserves the right to declare invalid any Voting Form not received in this manner.

For your proxy or direct vote prior to the AGM to be effective, your completed Voting Form must be received by Link Market Services no later than 11:30am (AEDT) on Wednesday, 16 November 2018. After this time, you will still be able to direct vote by either:

- attending the AGM in person; or
- voting during the AGM by submitting your direct vote using Link Group's online platform.

Voting Forms must be received before 11:30am (AEDT) on Wednesday, 16 November 2018 by one of the following methods:

**Online:** By following the instructions available on our Investor Centre (login via [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)). You will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN), which is set out on the enclosed Voting Form.

**Mobile device:** Using a mobile device by scanning the QR code on the back of the Voting Form. To scan the QR code you will need a QR code reader application that can be downloaded for free on your mobile device. You will also need your SRN or HIN and postcode for your shareholding.

**By post:** Link Administration Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

**By facsimile:** (02) 9287 0309 (within Australia)  
+61 2 9287 0309 (from outside Australia)

**By delivery in person:** Link Market Services Limited Homebush Bay Drive Rhodes NSW 2138 OR Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000

## Power of Attorney

A proxy appointment and the original power of attorney (if any) under which the proxy appointment is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11:30am (AEDT) on Wednesday, 16 November 2018, being 48 hours before the AGM.

## Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative must bring to the AGM a properly executed letter or other document confirming its authority to act as the body corporate's representative. A 'Certificate of Appointment of Corporate Representative' form can be obtained from Link Group's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) (under Resources, then Forms).

## Questions from Shareholders

Shareholders who are unable to attend the AGM or who prefer to register questions in advance of the AGM can do this via our Investor Centre (login via [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), then select Voting, then click Ask a Question). Alternatively you can submit the enclosed AGM Question Form.

To allow time to collate questions and prepare answers, please submit any questions by 11:30am (AEDT) on Friday, 9 November 2018.

Questions will be collated and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

## Conduct of the Meeting

Link Group is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders) who participate in the AGM with the opportunity to participate in the business of the AGM in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about Link Group generally.

Link Group will not allow conduct at any meeting which is discourteous to those who are participating in the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chair of the Meeting will exercise his powers as the Chair to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of shareholders who are participating in the Meeting.

## Enclosures

Enclosed are the following documents:

- Voting Form to be completed if you would like to be represented at the AGM by proxy or if you wish to submit a direct vote prior to the AGM. Shareholders are encouraged to use the online voting facility that can be accessed through our Investor Centre (login via [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)) to ensure the timely and cost effective receipt of your vote or proxy;
- an AGM Question Form to be completed if you would like a specific question to be addressed by the Chair or KPMG (the Independent External Auditor) at the AGM; and
- a reply paid envelope for you to return either or both the Voting Form and AGM Question Form.

# Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on Friday, 16 November 2018.

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote on the resolutions.

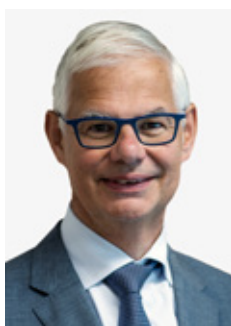
Subject to the abstentions noted below in respect of each resolution, the Directors unanimously recommend shareholders vote in favour of all resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2, 3, 5 and 6 are ordinary resolutions, which require a simple majority of votes cast by shareholders entitled to vote on the resolution. Resolution 4, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

Resolution 7 is a special resolution. For the special resolution to pass, at least 75% of votes cast by shareholders entitled to vote on the resolution must be in favour of the resolution.

Directors seeking election and re-election at the AGM will each briefly address the Meeting at the time the respective resolutions are considered.

## **Resolution 1. Election of Director – Andrew Green**



The Board appointed Andrew Green as an additional independent Non-Executive Director of the Company pursuant to clause 15.10 of the Constitution, on 9 March 2018.

Mr Green is Chair of the Link Asset Services (LAS) Advisory Forum, which advises the Company on strategic, operational and risk matters in relation to the LAS business.

Mr Green is currently Chairman of IG Group plc, a FTSE-listed global leader in online trading, and Digital Catapult, a UK-based technology innovation centre. He is also Senior Independent Non-Executive Director of Avanti Communications Group plc, a listed global broadband satellite operator.

Mr Green is President of UK Space, serves on the President's Committee of the Confederation of British Industry and is a Commissioner at the UK's National Infrastructure Commission.

Mr Green's earlier career at BT Group (formerly British Telecom) spanned more than 20 years, including as CEO of Global Services. He also previously served as Group Chief Executive of IT and management consultancy company Logica plc, and as Senior Independent Director at ARM Holdings plc.

Mr Green holds a Bachelor of Science in Chemical Engineering with first class honours from Leeds University.

The Board believes that Mr Green's extensive international experience, notably in digital development and technology, is a highly valued addition to the Board as the Company expands its geographical footprint.

*The Directors, with Andrew Green abstaining, unanimously recommend shareholders vote in favour of this Resolution.*

## **Resolution 2. Re-Election of Director – Glen Boreham, AM**



The Board appointed Glen Boreham as an independent Non-Executive Director of the Company on 23 September 2015. In accordance with clause 15.6 of the Constitution, Mr Boreham retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Mr Boreham is Chair of the Company's Technology and Innovation Committee and is a member of the Human Resources and Remuneration Committee.

Mr Boreham is a Director of Cochlear Limited and Southern Cross Media Group Limited and Chair of the Advisory Board of IXUP Limited.

Previously, Mr Boreham was the Managing Director of IBM Australia and New Zealand. He has also previously served as Chair of Screen Australia, Advance and the Industry Advisory Board for the University of Technology, Sydney, as well as Deputy Chair of the Australian Information Industry Association and as a Director of the Australian Chamber Orchestra.

Mr Boreham holds a Bachelor of Economics from the University of Sydney and an Honorary Doctorate from the University of Technology Sydney. In January 2012, Mr Boreham was awarded a Member of the Order of Australia for services to business and the arts.

The Board considers that Mr Boreham's significant experience in technology and innovation enables him to make a considerable contribution to the Board, particularly as Chair of the Technology and Innovation Committee.

*The Directors, with Glen Boreham abstaining, unanimously recommend shareholders vote in favour of this Resolution.*

### Resolution 3. Re-Election of Director – Fiona Trafford-Walker



The Board appointed Fiona Trafford-Walker as an independent Non-Executive Director of the Company on 23 September 2015. In accordance with clause 15.6 of the Constitution, Ms Trafford-Walker retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Ms Trafford-Walker is Chair of the Company's Risk and Audit Committee and is a member of the Technology and Innovation Committee.

Ms Trafford-Walker is an Investment Director at Frontier Advisors, heads the firm's Governance Advisory team and is a member of the Investment Committee. She was the inaugural Managing Director at Frontier Advisors and played a critical role in growing the firm. Ms Trafford-Walker has over 25 years of experience in advising institutional investors on investment and governance-related issues.

Ms Trafford-Walker is a Director of Prospa Advance Pty Ltd, and chair of its Audit and Risk committee. She is also a Director of Victorian Funds Management Corporation.

Ms Trafford-Walker holds a Master of Finance from RMIT University and a Bachelor of Economics from James Cook University. She is also a Graduate of the Australian Institute of Company Directors.

The Board believes that Ms Trafford-Walker's considerable superannuation industry and advisory experience brings significant benefit to Board and Committee discussions, and to her role as Chair of the Risk and Audit Committee.

*The Directors, with Fiona Trafford-Walker abstaining, unanimously recommend shareholders vote in favour of this Resolution.*

## Resolution 4. Remuneration Report

Section 250R(2) of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

Broadly, the Remuneration Report details the remuneration policy for the Company and:

- explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of executives and the Company's performance;
- sets out remuneration details for each Director and for each senior executive with authority and responsibility for directing the affairs of the Company; and
- discusses the relationship between the policy and Company performance.

Shareholders can view the full Remuneration Report in the Annual Report which is available on the Investors page of the Link Group website at [www.linkgroup.com](http://www.linkgroup.com).

Following consideration of the Remuneration Report, the Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote. The vote on this resolution is advisory only and does not bind the Directors of the Company.

However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

*Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.*



## Resolution 5. Approval of Managing Director's Participation in the Link Group Omnibus Equity Plan

### Approval sought

The approval of shareholders is sought to permit John McMurtrie, Link Group's Managing Director, to participate in the Link Group Omnibus Equity Plan (**Plan**) by being allocated Performance Share Rights (**PSRs**) in the financial year commencing 1 July 2018.

ASX Listing Rule 10.14 provides that a listed company may only permit a Director of the company to acquire securities (i.e. shares or rights to shares) under an employee incentive scheme where the acquisition by the Director has been approved by an ordinary resolution of shareholders.

Subject to shareholder approval, the Managing Director is eligible to receive PSRs under the Plan that are exercisable subject to the satisfaction of certain performance hurdles.

### Background

The Plan forms part of Link Group's remuneration strategy and was summarised in the Remuneration Report for the financial year ended 30 June 2018 (refer to 'LTI – Omnibus Equity Plan' from page 90 of the 2018 Annual Report).

Under the Plan, the Company invites Senior Executives to participate in the Plan following release to the market of Link Group's financial statements. Participants receive PSRs and subject to the satisfaction of service-based conditions and performance hurdles, participants receive fully paid ordinary Link Group Shares.

A copy of the Plan rules which apply to the PSRs granted to Mr McMurtrie is available on our website at [www.linkgroup.com](http://www.linkgroup.com) (under About Us, then Corporate Governance). A summary of the Plan Rules was set out from page 16 of the 2017 Notice of Annual General Meeting and is also available on our website under Investors, then Annual General Meetings).

### Rights to be awarded to Mr McMurtrie

Mr McMurtrie is eligible to receive 186,430 PSRs.

The number of PSRs has been determined by dividing the long term component of Mr McMurtrie's remuneration by the five trading-day volume weighted average market price (**VWAMP**) for the Link Group Shares from 17 August 2018, being the date of announcement of Link Group's full year results for the financial year ended 30 June 2018. The VWAMP for this period is \$7.8671.

If approved by shareholders, the number of PSRs to be granted to Mr McMurtrie for the financial year commencing 1 July 2018 is calculated as follows:

$$\frac{\$1,466,667}{\$7.8671} = 186,430 \text{ PSRs}$$

## Overview of proposed award

If approved by shareholders, Mr McMurtrie will receive PSRs subject to the conditions below.

<b>Exercise Price of the PSRs</b>	Nil.
<b>First Exercise Date</b>	The first day of the first trading window for the trading of the Company's Shares (in accordance with the Securities Trading Policy), following the release of the Company's audited annual financial statements for FY2021.
<b>Last Vesting Date</b>	As there is no retesting under this award, the First Exercise Date is also the Last Vesting Date.
<b>Last Exercise Date</b>	9 September 2025.
<b>Holding Lock</b>	Up to 50% of the maximum number of Link Group Shares that Mr McMurtrie is eligible to acquire following the exercise of his PSRs may be withdrawn by Mr McMurtrie after the First Exercise Date. Up to 75% of the maximum number of Link Group Shares that Mr McMurtrie is eligible to acquire following the exercise of his PSRs may be withdrawn after 1 July 2022. Up to 100% of the maximum number of Link Group Shares that Mr McMurtrie is eligible to acquire following the exercise of his PSRs may be withdrawn after 1 July 2023.

## Vesting conditions

The PSRs will vest in accordance with the achievement of the following vesting conditions:

<b>Earnings per share hurdle (Tranche 1)</b>	<b>Relative total shareholder return hurdle (Tranche 2)</b>
75% of the PSRs	25% of the PSRs
Earnings per share growth targets ( <b>EPS Hurdle</b> ) for the relevant Performance Period are met	Total Shareholder Return targets ( <b>TSR Hurdle</b> ) for the relevant Performance Period are met

The EPS Hurdle and TSR Hurdle are considered appropriate measures of performance as they drive longer-term company performance.

The Performance Period is 1 July 2018 to 30 June 2021.

### ***EPS Hurdle (Tranche 1)***

The EPS Hurdle has been determined with reference to the macroeconomic environment, relevant benchmarks and the Company's strategy.

No PSRs will vest if the compound annual growth rate is below 7%. Tranche 1 of the PSRs will vest subject to a compound annual growth rate in EPS of between a threshold target of 7% and a stretch target of 12%.

The EPS Hurdle for the Performance Period will be determined in accordance with the principles set out in the following table:

<b>EPS Hurdle</b>	<b>Percentage of PSRs vesting</b>
Compound annual growth rate of 12% or more	100%
Compound annual growth rate between 7% and below 12%	Pro-rata vesting of the PSRs between 50% and 100%
Compound annual growth rate of 7%	50%
Compound annual growth rate of less than 7%	0%

EPS is calculated by dividing the Company's Operating NPATA<sup>1</sup> by the undiluted weighted average number of shares on issue.

The Board will have discretion to include or exclude items from the calculations.

### ***TSR Hurdle (Tranche 2)***

25% of PSRs will be subject to a relative TSR Hurdle, which compares the total shareholder return performance of the Company with each of the entities within the S&P/ASX100 (excluding materials, utilities, industrials and energy companies) (**Basket**).

In order for the Tranche 2 PSRs to vest, the TSR of the Company is compared to the Basket as at 1 July 2018, being the commencement of the relevant Performance Period.

The TSR of each of the entities in the Basket will be measured from the start of the Performance Period to the end of the Performance Period.

1. Operating NPATA (previously known as NPATA before Significant items) is net profit after tax and after adding back tax affected Significant items (including the discount expense on the unwinding of the Superpartners client migration provision) and acquired amortisation. Acquired amortisation comprises the amortisation of client lists and the revaluation impact of acquired intangibles such as software assets, which were acquired as part of business combinations. Link Group considers Operating NPATA to be a meaningful measure of after-tax profit as it excludes the impact of Significant items and the large amount of non-cash amortisation of acquired intangibles reflected in NPAT. This measure includes the tax-effected amortisation expense relating to acquired software which is integral to the ongoing operating performance of the business.

The TSR Hurdle for the Performance Period will be determined in accordance with the principles set out in the following table:

<b>TSR Hurdle – Link Group's TSR performance compared to the relevant peer group</b>	<b>Percentage of PSRs vesting</b>
Company ranks at or above the 75th percentile	100%
Company ranks between the 50th percentile and the 75th percentile	Pro-rata vesting of the PSRs between 50% and 100%
Company ranks at the 50th percentile	50%
Company ranks below the 50th percentile	0%

### Further information

ASX Listing Rule 10.14 provides that a listed company may only permit a Director to acquire securities (i.e shares or rights to shares) under an employee incentive scheme where the acquisition by the Director has been approved by an ordinary resolution of shareholders.

It is the Board's current intention that if the PSRs vest, Link Group Shares will be acquired on-market for the purposes of the Plan. In accordance with the ASX Listing Rules, the following information is provided:

- The maximum number of PSRs for which approval is sought is 186,430 PSRs and will be calculated as described above.
- The PSRs will be allocated at no cost to Mr McMurtrie and the Board has determined that no amount is payable by Mr McMurtrie on the vesting of each PSR or on the exercise of any PSRs granted under the Plan.
- On satisfaction of the performance hurdles set by the Board, the PSRs will vest and, subject to the exercise/holding lock requirements, Link Group Shares will be allocated or issued on a one-for-one basis.
- No loan will be made by Link Group in connection with the acquisition of PSRs or Link Group Shares by Mr McMurtrie under the Plan.
- Mr McMurtrie is the only person referred to in ASX Listing Rule 10.14 entitled to participate in the Plan.
- At the 2017 Link Group Annual General Meeting (**2017 AGM**), shareholders approved the Plan. Mr McMurtrie received an award of 157,720 PSRs for nil consideration following shareholder approval at the 2017 AGM under the terms of the Plan.
- No PSRs will be granted under this approval later than 12 months after the date of the AGM.
- Approval of this resolution will result in the grant of PSRs to Mr McMurtrie falling within exception 14 in ASX Listing Rule 7.2. If approval is given for the issue of securities under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

*The Directors, with John McMurtrie abstaining, unanimously recommend shareholders vote in favour of this Resolution.*

## Resolution 6. Ratification of Prior Issue of Placement Shares

On 17 April 2018, Link Group announced a \$300 million institutional placement to provide balance sheet flexibility to continue to pursue strategic opportunities. Under the Placement, 35,294,118 fully paid ordinary shares were issued to a mix of existing and new institutional and sophisticated investors at \$8.50 per share, on 23 April 2018. The Placement shares were issued on the same terms as the existing shares on issue, except that Placement shares were not eligible to participate in the Share Purchase Plan that was announced on 17 April 2018.

Under ASX Listing Rule 7.1, Link Group is not permitted to issue more than 15% of its issued capital in any 12 month period unless the issue is approved by shareholders (or unless certain exemptions apply, which are not relevant in this instance).

Under ASX Listing Rule 7.4, issues of shares made without shareholder approval may be treated as having been made with shareholder approval if the issue did not breach the ASX Listing Rules and it is subsequently approved by shareholders. Any issue approved in this way is then not counted towards the calculation of the above cap prescribed in ASX Listing Rule 7.1.

Accordingly, and to continue to maximise Link Group's balance sheet flexibility, shareholders are requested to ratify the above issue of shares.

*The Directors unanimously recommend shareholders vote in favour of this Resolution.*

## Resolution 7. Reinsertion of Proportional Takeover Provisions in Constitution

Clause 27 of the Constitution contained provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions:

- were designed to assist shareholders to receive proper value for their shares if a proportional takeover bid was made for the Company; and
- prohibited the transfer of shares under a proportional takeover bid unless a provisional takeover bid resolution was passed by the shareholders in a general meeting approving the offer.

Under the Corporations Act, these provisions must be renewed every three years or they cease to have effect. The provisions were adopted on 28 September 2015 prior to the Company's listing on ASX, and were effective for three years from that date. Given that the existing clause 27 expired on 28 September 2018, Resolution 7 is a special resolution to reinsert the proportional takeover provisions in clause 27 of the Constitution, to operate for three years from the date of the Meeting (unless renewed earlier). A copy of the Constitution is available on our website at [www.linkgroup.com](http://www.linkgroup.com) (under About Us, then Corporate Governance).

The Corporations Act requires the following information be provided to shareholders for the purposes of this resolution.

### Effect of the proportional takeover provisions

A proportional takeover bid is a takeover bid where an offer is made to each shareholder to acquire a proportion of that shareholder's shares.

If the provisions are reinserted in the Constitution and a bid is made to shareholders, the Directors must hold a meeting of shareholders to consider whether or not to approve the bid by the 14th day before the last day of the bid period. Each shareholder who, as at the end of the day on which the first offer under the bid was made, held bid class shares is entitled to vote. The bidder and its associates are not allowed to vote on the resolution. The resolution is decided on a simple majority.

If the resolution to approve such a bid is rejected, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the resolution is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Constitution.

### Reasons for proposing the resolution

If the takeover approval provisions are not in the Constitution, a proportional takeover bid may enable control of the Company to pass without shareholders having the opportunity to sell all of their shares to the bidder. Shareholders may be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares. The proposed proportional takeover provisions lessen this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

## **Review of proportional takeover provisions**

There were no full or proportional takeover bids for the Company while the provisions were in operation, nor at any time since. Accordingly, there are no actual examples against which to assess the advantages or disadvantages of the proportional takeover provisions for the Directors and shareholders of the Company.

### **Potential advantages and disadvantages**

The reinsertion of the proportional takeover provisions will allow the Directors to ascertain shareholders' views on a proportional takeover bid. It does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be approved.

The potential advantages of the proposed proportional takeover provisions for shareholders of the Company:

- shareholders have the opportunity to consider a proportional takeover bid and vote on the resolution at a general meeting;
- assists shareholders in not being locked in as a minority interest;
- increases shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is appropriately priced; and
- knowing the view of the majority of shareholders assists each individual shareholder in assessing the likely outcome of the proportional takeover bid and whether to approve or reject the offer.

The potential disadvantages of the proposed proportional takeover provisions for shareholders of the Company:

- may discourage proportional takeover bids in respect of the Company;
- may reduce any speculative element in the market price of the Company's shares arising from the possibility of a proportional takeover bid being made;
- may reduce the likelihood of a proportional takeover being successful; and
- may be considered to constitute an unwarranted additional restriction of the ability of shareholders to freely deal with their shares.

The Board considers that the potential advantages for shareholders of the proportional takeover provisions outweigh the potential disadvantages.

### **No knowledge of proportional takeover provisions**

At the date of this Notice of Meeting, no Director of the Company is aware of any proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

*The Directors unanimously recommend shareholders vote in favour of this Resolution.*

# Accessing Information on Link Group

## Link Investor Centre

Visit the Link Investor Centre at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) to:

- view your shareholding
- review and update your contact details, payment instructions and communication preferences
- access all your securities in one portfolio by setting up a personal account
- make online enquiries

You can also contact Link Group's share registry via:

**Email:** [LNK@linkmarketservices.com.au](mailto:LNK@linkmarketservices.com.au)

**Phone:** +61 1300 934 599

**Mail:** Link Market Services  
Locked Bag A14  
Sydney South NSW 1235

## Reports

Link Group has produced a range of publications that can be viewed or downloaded at [www.linkgroup.com](http://www.linkgroup.com), including:



Annual Report 2018



Sustainability Report 2018

