

Pendal Group Limited
Level 14, The Chifley Tower
2 Chifley Square
Sydney NSW 2000
Australia
ABN 28 126 385 822

PENDAL
GROUP

10 November 2021

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Pendal Group Limited Annual General Meeting 2021

The following documents are attached for lodgement:

- ☒ Notice of Annual General Meeting
- ☐ Sample Proxy Form
- ☐ Sample Shareholder Question
- ☐ Virtual Meeting Online Guide

Yours sincerely

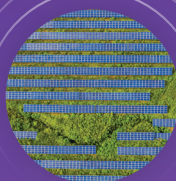


Authorising Officer

Joanne Hawkins
Group Company Secretary
Pendal Group Limited
Tel: +61 2 9220 2000

Notice of Annual
General Meeting 2021

**The future is worth
investing in**



For personal use only

Notice of Annual General Meeting

Dear Shareholder,

It is my pleasure to invite you to attend the 2021 Annual General Meeting (AGM) of Pental Group (ASX: PDL).

The Board of Pental Group understands the importance of AGMs for shareholders and, after the necessity of holding a virtual AGM in 2020, has decided to hold a hybrid AGM in 2021 to give our shareholders optionality for attendance. This means shareholders will be able to attend and participate in the AGM either in person or via an online platform.

However, physical attendance at the AGM will be subject to any change in applicable government and venue restrictions at the time. In the lead up to the AGM, we will be closely monitoring the evolving COVID-19 situation. If it becomes necessary or appropriate to revert to an online meeting only, we will ensure that shareholders are given as much notice as possible. We would advise shareholders by way of announcement to the ASX and advice on the website found at www.pentalgroup.com/shareholders

Physical meeting attendance

The AGM will be held at The Sheraton Grand Hyde Park Hotel, 161 Elizabeth Street, Sydney NSW 2000 on Friday, 10 December 2021 at 10.00am (AEDT). The registration desk will open from 9.00am (AEDT).

Online attendance and participation

Online participation will allow you to join the AGM, ask questions and make comments online. You will also have an option to ask questions via telephone.

Information on how to participate through the online platform is provided on the following page or on the Pental Group website: www.pentalgroup.com/shareholders

The AGM will be webcast live at <https://meetings.linkgroup.com/PDL21>

The webcast will also be recorded on the website for later viewing on Pental Group's website.

The 2021 AGM agenda will be similar to recent years, providing an opportunity for shareholders to hear directly from me and the Group Chief Executive Officer, in our reports of the 2021 Financial Year, to ask questions and to vote on matters to be put before the AGM. All the AGM resolutions are contained in this Notice of Meeting.

We commend to you the 2021 Annual Report, which was published at the time of our Full Year Results Announcement on 5 November 2021, and which sets out a full account of the year. The Annual Report is available on Pental Group's website at www.pentalgroup.com

Voting and Proxies

If you wish to appoint a proxy, you will need to use the enclosed proxy form. This can be done online ahead of the AGM by logging on at www.linkmarketservices.com.au and must be received by Link Market Services by 10.00am (AEDT) on Wednesday, 8 December 2021. Methods of voting are described in detail on pages 4-5 in this Notice.

Questions in advance

The Board is always keen to hear shareholder questions and we invite you to submit questions in advance of the AGM, by following the steps outlined on page 5. We will not respond directly to the questions submitted, but I will consider and respond to as many of these questions as possible in my address.

The Board and executive team look forward to welcoming you to Pental Group's 2021 AGM. For those shareholders joining us in person, and if government and venue restrictions permit at the time, there will be light refreshments served at the conclusion of the AGM and the opportunity for you to meet the Board members and the Australian-based executive team.

Yours sincerely,



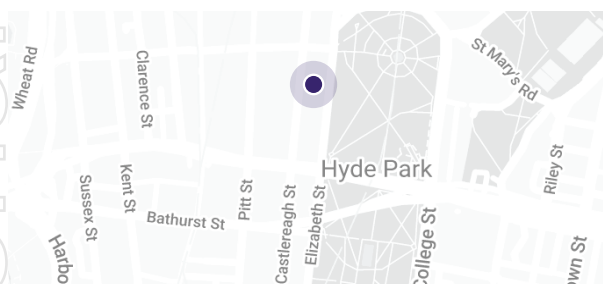
James Evans

Chairman

10 November 2021

Important Information for Shareholders

Date: Friday, 10 December 2021
Time: 10.00 am (AEDT)
Venue: The Sheraton Grand Hyde Park Hotel
161 Elizabeth Street, Sydney NSW 2000
Link to AGM: <https://meetings.linkgroup.com/PDL21>



Documents

The following documents relating to the AGM are enclosed in this mailing:

- the Notice of Meeting;
- a personalised proxy form and return envelope; and
- a Shareholder Question Form.

The above documents are also available online at www.pendalgroup.com/shareholders or by contacting our share registry, Link Market Services by one of the following methods:

Online at:
www.linkmarketservices.com.au

By e-mail at:
PDL@linkmarketservices.com.au

By post:
Link Market Services Limited,
Locked Bag A14
Sydney South, NSW, 1235

By telephone:
In Australia: 1300 792 077
From outside Australia: + 61 1300 792 077

By facsimile:
+ 61 2 9287 0309

Receiving documents electronically

If you received the Notice of Meeting by mail and would prefer to receive future notices and correspondence from Pental Group electronically, please contact Link Market Services to change how you receive documents from Pental Group.

Participating in the AGM in person

Shareholders and proxyholders can participate in the AGM in person at The Sheraton Grand Hyde Park Hotel, 161 Elizabeth Street, Sydney NSW 2000.

Pental will be observing any government and venue restrictions that apply to the AGM based on the COVID-19 situation at the time.

Shareholders and proxyholders who plan to attend the AGM in person should be mindful of government advice in relation to COVID-19 and monitor Pental Group's website and ASX announcements regarding any updates about the AGM. Please do not attend the AGM if you feel unwell or have been in close contact with someone who may have been exposed to COVID-19.

In the lead up to the AGM, we will be closely monitoring the evolving COVID-19 situation. If it becomes necessary or appropriate to make alternate arrangements for the holding of the AGM, we will ensure that shareholders are given as much notice as possible by way of announcement to the ASX which will also be published at www.pendalgroup.com/shareholders. To ensure your vote is cast, you are encouraged to lodge a proxy even if you wish to attend the AGM, in case there is a change in arrangements.

Participating in the AGM online

Shareholders and proxyholders can participate in the AGM online, at <https://meetings.linkgroup.com/PDL21> which will allow them to view a live webcast, ask questions and vote. More information about how to use the AGM online platform is available in the Meeting Online Guide, which is available at www.pendalgroup.com/shareholders

The AGM will be webcast live at <https://meetings.linkgroup.com/PDL21>

You do not need to be a shareholder or proxyholder to view the webcast. An archive of the webcast will be available on the Pental Group website shortly after the meeting concludes.

Other options for asking questions at the AGM are set out on page 5 of the Notice of Meeting.

Proxy voting and proxyholder participation

Further information on lodging a proxy vote ahead of the meeting is available on pages 4-5 of this Notice of Meeting.

Business

1. Financial Reports

To receive and consider the annual Financial Report, Directors' Report and Auditor's Report of the Company for the year ended 30 September 2021. There will be no formal motion in relation to this item.

2. Re-election of Directors

To consider and, if thought fit, pass the following resolutions as separate **ordinary resolutions**:

"That, Sally Collier, being a Non-executive Director of the Company, who retires by rotation at the close of the AGM in accordance with Rule 48 of the Constitution and being eligible for re-election, is re-elected as a Director of the Company."

"That, Christopher Jones, being a Non-executive Director of the Company, who retires by rotation at the close of the AGM in accordance with Rule 48 of the Constitution and being eligible for re-election, is re-elected as a Director of the Company."

3. Adoption of the Remuneration Report

To adopt the Company's Remuneration Report for the year ended 30 September 2021.

Note: Pursuant to Section 250R of the Corporations Act, this resolution is advisory only and does not bind the Company or the Directors.

4. Approval of the Non-executive Directors' Annual Fee Pool

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That the maximum aggregate amount of annual remuneration that may be paid to Non-executive Directors of the Company be increased from \$1,600,000 per annum to \$2,000,000 per annum, with effect from 1 January 2022."

5. Approval of 2021 LTI Grant of Performance Share Rights to Mr Nick Good, Group Managing Director and CEO

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That the Company approves the grant of Performance Share Rights (and acquisition of ordinary shares on exercise of the vested Performance Share Rights to Mr Nick Good under the terms of the Performance Reward Scheme) on the terms described in the Explanatory Notes to this Notice of Meeting."

6. Adoption of new Constitution

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing constitution and adopt a new constitution, in the form tabled at the AGM and signed by the Chairman for the purposes of identification (other than rule 13.11 and Schedule 6 – proportional takeover provisions, which are the subject of Item 7), as the Constitution of the Company, with effect from the close of the AGM."

7. Approval of proportional takeover provisions

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That for the purposes of sections 648G and 136(2) of the Corporations Act and for all other purposes, proportional takeover provisions, in the form tabled at the AGM and signed by the Chairman for the purposes of identification, be inserted into the Constitution in force at that time being either:

- (a) as rule 13.11 and Schedule 6 of the new constitution tabled at the AGM and signed by the Chairman for the purposes of identification, if Item 6 is passed by the requisite majority; or
 - (b) as rules 79 and 80, replacing the current rules 79 and 80, of the existing Constitution,
- for a period of three years from the date of the AGM, with effect from the close of the AGM."

Further information in relation to each resolution to be considered at the AGM is set out in the enclosed Explanatory Notes. The Explanatory Notes form part of this Notice of Meeting.

By order of the Board.



Joanne Hawkins
Company Secretary
10 November 2021

Other Information

Entitlement to attend and vote

You will be eligible to participate and vote at the AGM if you are registered as a holder of Pandal Group shares at 7.00 pm on Wednesday, 8 December 2021 (AEDT).

Options to participate in the AGM

Eligible shareholders may participate in the AGM and vote in person or via an on-line platform or may appoint a proxy, corporate representative or attorney. If you participate in the AGM directly, you do not need to submit a proxy form, although the Board encourages you to do so in case there is a change in meeting arrangements.

Online participation in the AGM

If you wish to participate in the AGM online, we recommend logging in to our online facility at least 15 minutes prior to the scheduled start time for the AGM, by inserting the link <https://meetings.linkgroup.com/PDL21> into a web browser on a computer or other online device. To participate, please note that shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) which are printed at the top of the personalised proxy form.

You may still participate in the AGM, even if you have appointed a proxy. If you have previously submitted a proxy form, your proxy will be cancelled if you vote on the resolution.

Appointing a proxy

You can appoint a proxy to vote on your behalf rather than attending the AGM or participating in the AGM online. All eligible shareholders are encouraged to submit a proxy vote ahead of the AGM if they are not sure they will be able to attend, or wish to be sure that their vote will be counted if the government or venue restrictions preclude their entry to the AGM.

You may also submit your proxy appointment online at www.linkmarketservices.com.au using the holding details as shown on your Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN). You can also lodge your proxy by scanning the QR code on your Proxy Form or entering the voting link www.linkmarketservices.com.au into your mobile device and logging in using the Holder Identifier and postcode for your shareholding.

You will be taken to have signed the proxy appointment if you lodge it in accordance with the instructions on the website. If you wish to use this facility, you must submit your proxy appointment through the facility by no later than 10.00 am (AEDT) on Wednesday, 8 December 2021. A proxy cannot be appointed online if they are appointed under a power of attorney or similar authority.

If you wish to lodge a physical version, a personalised proxy form is included with this Notice of Meeting.

Please note the following information in relation to the appointment of proxies:

- A proxy does not have to be a Pandal Group shareholder and may be an individual or a body corporate.
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 24 hours prior to the AGM.

- You may appoint up to two proxies. If you appoint two proxies you should complete two separate proxy forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a proportion or number, each proxy may exercise half of the votes. You must return both proxy forms together.
- To appoint the Chairman as your proxy, mark the box in the section marked "Step 1" on the proxy form. You can direct your proxy how to vote on Items 2 to 7 by marking "For", "Against" or "Abstain", in the section marked "Step 2".
- You may appoint another person as your proxy by completing their name on the space provided in the section marked "Step 1" on the proxy form. If your proxy is not the Chairman, you are also appointing the Chairman as your alternate proxy in the event that your named proxy does not attend the AGM.
- If you sign the enclosed proxy form and do not mark the box in the section marked "Step 1", the Chairman will be appointed as your proxy. The Chairman intends to vote undirected proxies in favour of each resolution.
- If you appoint a proxy, you may still attend the AGM. However, your proxy will be revoked if you also vote on the resolution.
- If your proxy is appointed under a written authority, such as a power of attorney, the original or a certified copy of the authority must be submitted with the proxy form, unless it has previously been submitted to our share registry, Link Market Services.

Undirected proxies and Chairman's voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected proxy in favour of all proposed resolutions, which are set out in this Notice of Meeting. The Chairman intends to vote all such undirected proxies in favour of all resolutions.

Proxies in favour of KMPs and Directors

If you appoint a Director or one of the Company's other KMPs or their Closely Related Party (other than the Chairman) as your proxy, they will not be able to vote your proxy on Items 3, 4 and 5 unless you have directed them how to vote.

If you intend to appoint a KMP (including the Chairman) or a Closely Related Party of a KMP as your proxy, you are encouraged to direct them how to vote on Items 3, 4 and 5 by marking either "For", "Against" or "Abstain" for that item of business on the proxy form, in the section marked "Step 2".

Details of the voting exclusions for Items 3, 4 and 5 are included in the Explanatory Notes.

Voting to be conducted by poll

The voting on all resolutions at the AGM will be conducted by poll. Details of how the polls will be conducted will be explained at the AGM.

Lodging your proxy

Your completed proxy form must be received by Link Market Services no later than 10.00 am (AEDT) on Wednesday, 8 December 2021, i.e. 48 hours before the commencement of the AGM. Proxy forms can be lodged:

- **Online at:** www.linkmarketservices.com.au by following the instructions. You will need to input your Security Holder Reference number (SRN) or Holder Identification Number (HIN) as well as your postcode or country registered on your holding
- **By Posting it to:** Link Market Services Limited, Locked Bag A14, Sydney South, NSW, 1235, Australia
- **By Faxing it to:** + 61 2 9287 0309
- **By Hand delivery to:** Link Market Services Limited, Level 12, 680 George Street, Sydney, NSW, 2000 before 10.00 am (AEDT) on Wednesday, 8 December 2021.

Corporate shareholders

Corporate shareholders may appoint a representative to attend the AGM on their behalf. The representative must provide evidence of his or her appointment unless it has previously been provided to Link Market Services.

Shareholders can download and fill out the Appointment of Corporate Representative form from the Link Market Services' website:
www.linkmarketservices.com.au/corporate/resources/forms.html

Attorneys

If a shareholder has appointed an attorney to attend and vote at the meeting, or if the proxy is signed by an attorney, the power of attorney (or a certified copy of the power of attorney) must be received by the Company's share registry, Link Market Services Limited, at the post office box or facsimile number noted above, or at the Company's registered office in Sydney, by no later than 10.00 am (AEDT) on Wednesday, 8 December 2021 unless the power of attorney has been previously lodged with the Company's share registry.

Questions from shareholders

You may ask questions at the AGM about any of the resolutions being considered at the AGM or general questions about Pandal Group's management or performance. You may also ask questions of the Company's auditor about the content of the Auditor's Report or the conduct of the audit.

Shareholders and proxyholders will be given an opportunity to ask questions at the AGM and in real time via the online platform or by telephone.

In addition, you may submit written questions prior to the AGM. Questions can be submitted using the enclosed Shareholder Question Form, or online at our share registry's website:
www.linkmarketservices.com.au

Please submit your question by no later than 5pm, 3 December 2021. We will endeavour to answer as many of the more frequently raised relevant questions as possible during the course of the AGM.

However, there may not be sufficient time available at the AGM to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

How to ask questions by telephone

Shareholders will be given an opportunity to ask questions in real-time by telephone. A personalised PIN is needed to ask questions by telephone. To receive a personalised PIN and details of the applicable telephone number, please contact Link Market Services between 1 and 8 December 2021. If you plan to ask questions by telephone, you will still need to log into the online platform if you wish to vote during the meeting.

Conduct of the meeting

The Company is committed to ensuring that its shareholder meetings are conducted in a manner which provides shareholders (or their proxy holders) an opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about the Company generally. The Company requests that attendees at the meeting are courteous to those who are present at the meeting to ensure that the meeting can be conducted in an orderly and timely manner.

Technical difficulties

The Chairman has discretion as to whether and how the AGM should proceed if a technical difficulty arises. In exercising this discretion, the Chairman will have regard to the number of shareholders affected as well as the extent to which participation in the AGM is affected. The Chairman may continue to hold the AGM and transact business if it is appropriate to do so.

Explanatory Notes on the Business of the AGM

Item 1 – Financial Reports

The Corporations Act requires that Pental Group's annual Financial Report, Directors' Report and Auditor's Report for the year ended 30 September 2021, be laid before the AGM.

The Financial Report, Directors' Report and the Auditor's Report are available in the Annual Report, a copy of which is available on Pental Group's website at www.pentalgroup.com

There is no requirement under the Corporations Act or the Constitution for shareholders to approve or adopt these reports. Shareholders will have an opportunity to comment and ask questions about the above reports at the AGM.

Item 2 – Re-election of Sally Collier and Christopher Jones as Directors

Two directors of the Company – Sally Collier and Christopher Jones – are retiring at the AGM and, in accordance with the Company's Constitution, offer themselves for re-election as Directors.

In accordance with Rule 48(b) of the Constitution, Sally Collier and Christopher Jones hold office until the conclusion of the AGM and offer themselves for re-election.

(a) Sally Collier BEc GAICD

Sally Collier was appointed as an Independent Non-executive Director of the Company on 2 July 2018. Sally was also appointed as a Non-executive Director of the Company's wholly owned subsidiary, J O Hambro Capital Management Holdings Limited.

Sally, who is based in Australia, has over 30 years' experience in the financial services industry and has held senior executive positions in investment services businesses in the UK and Hong Kong.

Sally was previously a partner at international private equity and infrastructure investment firm, Pantheon, where she held leadership roles in business development, marketing and communications and product development in the UK and Asia. This followed nearly 20 years in investment banking, mostly at HSBC Investment Bank in the UK, where she held a broad range of roles in corporate finance before joining the Management Committee as an Executive Director.

Sally is a member of the Audit and Risk Committee and the Remuneration and Nominations Committee.

Sally is currently a director of The Tasmanian Public Finance Corporation, Utilities of Australia Pty Limited and Clayton Utz Foundation. She is also Chair of the Endowment Investment Advisory Committee of The Benevolent Society.

Sally meets the requirements of the Company's policy that Directors hold Pental Group shares equivalent to at least one year's Director fees.

The Board (excluding Sally Collier who did not participate because of her interest) unanimously recommend that shareholders vote in favour of the re-election of Sally Collier as a Director.

(b) Christopher Jones MA (Cantab) CFA

Christopher Jones was appointed as an Independent Non-executive Director of the Company on 8 November 2018. Christopher was also appointed as a Non-executive Director of the Company's wholly owned subsidiary, J O Hambro Capital Management Holdings Limited.

Christopher, who is based in New York City, has over 35 years' experience in the financial services industry and has significant experience as both a Chief Investment Officer and Portfolio Manager in the US.

Christopher is Principal of CMVJ Capital LLC, a private investor and adviser in the financial services, asset management and technology industries. In the two years prior to 2016, Christopher was Head of Blackrock's US Global Fundamental Equity and Co-head of Global Active Equity. Previously, he spent 32 years in a range of roles at Robert Fleming and Co and JP Morgan Asset Management, including being Managing Director and Chief Investment Officer, Growth and Small Cap Equities for a period of 10 years.

Christopher is a member of the Audit and Risk Committee.

Christopher is Chair of the Investment Committee of Acorns Grow, an American financial technology and financial services company that specialises in micro-investing and robo-investing. Christopher is also Chair of the Advisory Committee of Zoe Financial, an American financial technology company which operates a digital marketplace that enables consumers to find and engage qualified financial advisors.

Christopher meets the requirements of the Company's policy that Directors hold Pental Group shares equivalent to at least one year's Director fees.

The Board (excluding Christopher Jones who did not participate because of his interest) unanimously recommend that shareholders vote in favour of the re-election of Christopher Jones as a Director.

Item 3 – Remuneration Report

The Company's Remuneration Report for the year ended 30 September 2021:

- sets out Pental Group's remuneration policies;
- highlights the link between pay, corporate performance and shareholder wealth creation; and
- reports on the remuneration arrangements in place for the Company's KMP, including its Non-executive Directors, Group CEO and Company executives.

The Remuneration Report is included in the Annual Report which is available on Pental Group's website at www.pentalgroup.com

Shareholders will be asked to vote on a resolution to adopt the Remuneration Report at the AGM. In accordance with section 250R of the Corporations Act, the vote on the resolution is advisory only and does not bind the Board or Pental Group. However, the Board will take the outcome of the vote into consideration when considering future remuneration policies for Directors and Company executives.

At the 2020 AGM, the Remuneration Report was approved with over 97% of votes cast in favour of the Remuneration Report.

If the Company receives a 'no' vote of 25% or more in relation to the Remuneration Report at two successive AGMs, a spill resolution will be put to the shareholders at the second AGM. In accordance with section 250W of the Corporations Act, if the spill resolution is passed with 50% or more of the votes cast, the Company will, within 90 days, hold a spill meeting to vote on whether to keep the Directors (the Managing Director will not be subject to the spill vote).

Voting Exclusions

The Company will disregard any votes cast on Item 3:

- by or on behalf of a KMP or a Closely Related Party of those persons (regardless of the capacity in which the vote is cast); or
- as a proxy by a KMP or a Closely Related Party of those persons.

However the Company will not disregard votes cast on Item 3 if the vote is cast as a proxy for a person who is entitled to vote on Item 3, and: (a) the vote is in accordance with a direction on the proxy form; or (b) in the absence of a direction on the proxy form, the vote is cast by the Chairman where the Chairman has received express authority to vote undirected proxies as the Chairman decides, even if the resolution is connected directly or indirectly with the remuneration of a member of a KMP.

Board Recommendation

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 the adoption of the Company's Remuneration Report for the year ending 30 September 2021.

Item 4 – Director Fee Pool

One of Pandal Group's key strategic objectives is to grow its global asset management business across new and existing markets. Since the acquisition of J O Hambro Capital Management Limited in 2011, Pandal Group has transformed into a global asset management business, which is reflected in its increased scale, its global footprint and its amplified complexity. In July 2021, Pandal Group completed the acquisition of investment management firm Thompson, Siegel and Walmsley located in Richmond, Virginia. Now, over two thirds of funds under management and more than three quarters of profits are generated outside of Australia.

Pandal Group is therefore seeking shareholder approval at this AGM, to increase the maximum aggregate of remuneration that can be paid to non-executive Directors each year (Annual Fee Pool) from \$1.6 million to \$2 million, an increase of \$400,000.

The Annual Fee Pool was originally set at \$800,000 per annum in 2007, when the Company listed on the ASX. In 2013, shareholders approved an increase in the Annual Fee Pool to \$1 million, and again in 2015, to \$1.6 million.

Increasing the Annual Fee Pool to \$2 million will provide the Company with flexibility to:

- appoint additional non-executive Directors to the Board who have knowledge and experience in off-shore markets;
- continue to attract and retain non-executive Directors of the highest calibre;
- allow existing non-executive Directors to be appointed to subsidiary boards within the group; and
- allow the size of the Board to be expanded as part of an active Board renewal and succession planning process.

The ASX Listing Rules (Listing Rule 10.17) and the Company's constitution provide that the maximum amount of non-executive Director remuneration must not be increased without the approval of the Company's shareholders in a general meeting. If approved, the increase in the Annual Fee Pool will take effect on 1 January 2022. No increase is proposed to individual Board or Committee fees in FY22.

In accordance with ASX Listing Rules, shareholders are advised that:

- no shares or other securities in the Company have been issued by the Company to non-executive Directors under ASX Listing Rule 10.11 (approval required for an issue of securities) in the preceding three years; and
- no shares or other securities in the Company have been acquired by non-executive Directors under ASX Listing Rule 10.14 (approval required to acquire securities under an employee incentive scheme) in the preceding three years.

Voting Exclusions

The Company will disregard any votes cast on Item 4:

- by or on behalf of a KMP (including an Director), a Closely Related Party of those persons or an associate of a Director (regardless of the capacity in which the vote is cast); or
- as a proxy or attorney by a Director or a Closely Related Party of those persons or KMP.

However, the Company will not disregard votes cast on Item 4 if they are cast as a proxy or attorney for a person who is entitled to vote on Item 4, and: (a) the vote is in accordance with a direction on the proxy form or given to the attorney (as the case requires); or (b) in the absence of a direction on the proxy form or given to the attorney (as the case requires), the vote is cast by the Chairman where the Chairman has received express authority to vote undirected proxies or shares subject to undirected proxies as the Chairman decides, even if the resolution is connected directly or indirectly with the remuneration of Directors.

Board Recommendation

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 an increase in the Director Fee Pool to \$2 million.

Explanatory Notes on the Business of the AGM continued

Item 5 – Approval of 2021 LTI Grant of Performance Share Rights to Mr Nick Good, Group Managing Director and CEO

The resolution is being put to shareholders to obtain approval for the grant to Mr Good of 125,418 performance share rights (PSRs) in accordance with the performance reward scheme approved by the Board Remuneration and Nominations Committee on 19 November 2020 (Performance Reward Scheme) and the acquisition of ordinary shares in the Company on the exercise of the vested PSRs (upon satisfaction of certain performance hurdles).

PSRs will only vest and become exercisable if the performance hurdles (as set out below) have been met at the end of the three year performance period 1 October 2021 to 30 September 2024 (Performance Period).

The number of PSRs to be granted is 125,418. This is based on a value of USD750,000 determined by the Board and divided by the volume weighted average price of the Company’s ordinary shares on the five trading days before the commencement of the Performance Period (VWAP). The VWAP is AUD8.298 per share and has been converted to USD5.98 per share using an exchange rate of 0.7206.

PSRs form part of Mr Good’s total remuneration package which, as described in the Remuneration Report, is intended to target a mix of 25% for his fixed remuneration package, 25% for his cash variable reward and 50% for his equity based variable award.

As set out in the table below, two performance hurdles are applied to Mr Good’s PSRs.

Why is approval sought?

Pursuant to Listing Rule 10.16, shareholder approval is not required under ASX Listing Rule 10.14 where Mr Good’s vested PSRs are satisfied through the purchase of shares on market (where the terms of the Performance Reward Scheme permits such purchases) or where the PSRs are cash settled.

Shares delivered to Mr Good on exercise of vested PSRs would have been purchased on-market by the Company and therefore, no shareholder approval would be required.

Notwithstanding the above, the Company is seeking approval for the grant of the PSRs and the acquisition of ordinary shares on exercise of the vested PSRs in the interests of transparency and good governance.

Key terms of Performance Share Rights

- Entitlements
- Each PSR is a right to be allocated a fully paid ordinary share in the Company at nil cost (i.e. nil exercise price).
 - PSRs do not carry any dividend or voting rights during the Performance Period (but where dividends are paid during the Performance Period for PSRs that meet the performance hurdles and are ultimately vested and exercised, a dividend-equivalent cash payment will be made on or around the date of exercise or potentially earlier in the case of cessation of employment). Once the PSRs have vested and been exercised, the shares issued or transferred to Mr Good will rank equally with ordinary shares in the Company for dividends.
 - PSRs (whether vested or unvested) are non-transferrable, except in limited circumstances such as in the event of death. PSRs may be forfeited under the Performance Reward Scheme or as determined by the Board at its discretion.
 - The PSRs do not confer a right to participate in any new issue of shares in the Company (including by way of bonus issues, rights issues or otherwise).

- Performance Share Hurdles
- The PSRs will be divided into two components which will each be subject to a separate performance hurdle as set out below.
 - Each component will be tested on the final day of the Performance Period, being 30 September 2024. There will be no re-testing.

TSR Rights

62,709 of Mr Good’s 2021 PSRs will vest and become exercisable if the Company’s total shareholder return (TSR) compared to the median TSR of companies in the ASX 200 index (taken as at the first day of the Performance Period) meets certain thresholds (TSR Rights). The TSR is calculated using share price and dividend data, and adjusting for any cash distribution under a return of capital of any company in the ranking group during the Performance Period. The number of TSR Rights that will vest is calculated as follows:

Pendal Group’s TSR Performance	Percentage of TSR Rights to vest
Below the median of the ASX200	Nil
At the median of the ASX200	50%
Between median and the 75 th Percentile	Vesting occurs on a straight-line basis from 50% to 100%
At or above 75 th percentile	100%

Key terms of Performance Share Rights continued

Performance Share Hurdles continued

Underlying EPS Rights

62,709 of Mr Good's 2021 PSRs will vest and become exercisable if the Company's underlying earnings per share (**Underlying EPS**) meets certain compound annual growth rate thresholds (**Underlying EPS Rights**). The number of Underlying EPS Rights that will vest is calculated as follows:

Underlying EPS over Performance Period	Percentage of Underlying EPS Rights to vest
Less than or equal to 5%	Nil
5%	50%
More than 5% but less than 10%	Vesting occurs on a straight-line basis from 50% to 100%
10% or more	100%

Date of granting and vesting

The PSRs will be granted to Mr Good on or about 17 December 2021. The PSRs will vest and become exercisable the day following the Pendal Group Limited annual results announcement to the ASX for the financial year ending 30 September 2024. Following which they may be exercised at any time up to 30 September 2029 (excluding during any blackout period) (**Exercise Period**).

Exercise

On exercise, unless the Board elects to cash settle the vested PSRs at its discretion, one ordinary share will be allocated for each PSR. On expiry of the Exercise Period, any unexercised, vested PSRs will be automatically exercised. Mr Good may not exercise his vested PSRs during a blackout period as nominated by Pendal Group in accordance with its Trading in PDL Securities Policy or if he possesses inside information (for the purposes of the Corporations Act) in relation to Pendal Group.

Cessation of employment

If Mr Good's employment with the Company ceases prior to the end of the Performance Period, unless otherwise determined by the Board, a pro-rata portion of any unvested PSRs (based on how much of the Performance Period has lapsed) will remain on foot and subject to the original performance hurdles, and any vested, unexercised PSRs will be automatically exercised on cessation of employment. It is expected that, in the case of resignation or dismissal, the Board will exercise its discretion to lapse all unvested PSRs (but reserves the right not to do so in whole or in part). All PSRs that do not remain on foot will automatically lapse.

Lapse

Unvested PSRs will lapse in the following circumstances: (a) to the extent that performance hurdles are not satisfied during the Performance Period; (b) cessation of employment in certain circumstances, as set out above; (c) any fraudulent or dishonest act, or material breach of obligations by Mr Good to Pendal Group; and (d) exercise of Board discretion.

Change of control

Under a change of control, except as set out below, the PSRs would operate as they normally would and the test date does not accelerate if the change of control occurs prior to the end of the Performance Period.

Under a transaction which results in an acquisition of 100% of the shares of the Company, PSRs will be tested against the performance hurdles and there will be a pro rata reduction in number based on the period of time from the start of the Performance Period to the date the acquirer is entitled to 100% of the shares of the Company. In that event, vesting will only be determined by the extent to which the relevant performance hurdles are satisfied at the time the acquirer is entitled to 100% of the shares of the Company (rather than the end of the Performance Period).

Voting Exclusions

The Company will disregard any votes cast on Item 5:

- in favour of the resolution by or on behalf of Mr Good and his associates, (regardless of the capacity in which the vote is cast); or
- by or on behalf of a KMP or as a proxy for a KMP or any Closely Related Party of those persons.

However, the Company will not disregard votes cast on Item 5, if they are cast as proxy for a person entitled to vote on Item 5, and: (a) the vote is cast in accordance with a direction on the proxy form; or (b) in the absence of a direction on the proxy form, the vote is cast by the Chairman where the Chairman has received express authority to vote undirected proxies as the Chairman decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP.

Board Reasons and Recommendation

The Board (excluding Mr Good) considers that:

- the grant of the PSRs to Mr Good as part of his remuneration is reasonable and is in the best interests of the Company and its shareholders; and
- the PSRs provide a strong link between the reward for Mr Good's performance and TSR and increased Underlying EPS over the Performance Period, strengthening the alignment of Mr Good's interests with shareholders.

The Board (excluding Mr Good who did not participate because of his interest) unanimously recommends that shareholders vote in favour of approval of the grant of PSRs to Mr Good (and the acquisition of shares on their exercise).

Explanatory Notes on the Business of the AGM continued

Item 6 – Adoption of new Constitution

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by a special resolution of shareholders.

The resolution set out in Item 6 is a special resolution, which seeks shareholder approval for the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**).

The Company's existing Constitution is in substantially the same form as that which was adopted on 8 November 2007. Since 2007, shareholders have approved minor amendments to the Constitution, in 2012 and 2018. Since that time, there have been various developments in law (including the Corporations Act), Listing Rule requirements, principles of corporate governance and general corporate and commercial practice for ASX-listed companies, which are not reflected in the existing Constitution. Accordingly, the Board recommends the adoption of the Proposed Constitution, which reflects current market practice and terminology, to provide the Company with flexibility to efficiently and effectively manage its administration, governance arrangements and relations with shareholders.

The Board believes that it is preferable, in the circumstances for the Company to repeal its existing Constitution and adopt the Proposed Constitution, rather than to incorporate a large number of amendments to various provisions of the existing Constitution.

The majority of proposed changes are administrative or relatively minor in nature and do not significantly impact on shareholders. A summary of the material changes in the Proposed Constitution are outlined in the table below.

Copies of the Company's existing Constitution and the Proposed Constitution are available on the Company's website at www.pendalgroup.com/shareholders

For Item 6 to be passed as a special resolution, in accordance with the Corporations Act, at least 75% of the votes cast by shareholders entitled to vote on the resolution must be in favour of the resolution. If Item 6 is passed by the requisite majority, the Proposed Constitution will operate with effect from the conclusion of the AGM.

This Item 6 does not include the approval of proportional takeover provisions and insertion of such provisions into the Constitution in force at the time, which is the subject of Item 7 and requires separate approval independent of the outcome of this Item. Essentially, if Item 6 is passed, the Proposed Constitution would take effect irrespective of the outcome of Item 7.

Topic	Detail
Electronic communication	<ul style="list-style-type: none">The Proposed Constitution includes provisions which allow the Company to utilise new electronic communication provisions under the Corporations Act. These provisions allow the Company to send certain documents (as permitted by the Corporations Act) to shareholders electronically, including providing shareholders with sufficient information to access the relevant document online (i.e. via the Company's website).These provisions will allow the Company to reduce its carbon footprint and to save on printing and postage costs. Documents can also be sent to shareholders more quickly than if they were sent in hard copy via post. Under the Corporations Act, shareholders may request that documents are sent to them in hard copy.
Direct voting	<ul style="list-style-type: none">The Proposed Constitution includes more up to date and comprehensive provisions relating to direct voting, which provide that, subject to a determination of the Board, shareholders may communicate their voting intentions to the Company directly (i.e. by post, mail or other electronic means approved by the Board) without being physically present at the general meeting. Direct voting allows shareholders to lodge their votes directly with the Company before a meeting, providing shareholders with the flexibility to vote without being required to either attend the meeting or appoint a proxy to attend the meeting on their behalf.
Proportional takeover provisions	<ul style="list-style-type: none">A proportional takeover bid is a takeover bid where the offer made to each shareholder of the company is only for a proportion of that holder's securities, and not for their entire holding. Under the Corporations Act, a company may include proportional takeover provisions in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by shareholders (other than the bidder and its associates).The existing Constitution contains proportional takeover provisions which are no longer effective as they have not been approved by shareholders in the last three years. Item 7 proposes that proportional takeover provisions be inserted into the Proposed Constitution, if Item 6 is passed or into the existing Constitution, if Item 6 is not passed. Further information in relation to the approval of the proportional takeover provisions is set out in the Explanatory Notes to Item 7.
Restricted Securities	<ul style="list-style-type: none">Effective from 1 December 2019, the ASX implemented changes to the Listing Rules (specifically Listing Rule 15.12) which provide for a modified escrow regime for Restricted Securities and require that a listed entity's constitution contain certain provisions regarding Restricted Securities where the entity issues Restricted Securities or has Restricted Securities on issue. Further a listed entity cannot issue Restricted Securities without including the requisite provisions in its constitution.The Proposed Constitution includes provisions which comply with the recent changes to Listing Rule 15.12. Whilst the Company does not currently have any Restricted Securities on issue (nor does it have any intention to issue Restricted Securities as at the date of this Notice of Meeting), the Board considers that it is appropriate for the Proposed Constitution to include provisions that comply with Listing Rule 15.12 to provide the Company with additional flexibility should it wish to issue Restricted Securities in the future.

Topic	Detail
Hybrid meetings	<ul style="list-style-type: none"> The Constitution already includes provisions that facilitate the holding of hybrid general meetings (being the combination of a physical meeting and participation of shareholders via an online platform or other electronic facility used to facilitate a general meeting). The Proposed Constitution includes more detailed and up to date provisions relating to the conduct of general meetings, including hybrid meetings. The provisions in the Proposed Constitution do not allow the Company to hold a wholly virtual general meeting. Regardless of the manner in which a general meeting is conducted (i.e. a physical meeting only or a hybrid meeting), under the Proposed Constitution, the Company must ensure that shareholders, as a whole, have a reasonable opportunity to participate in the meeting, including the ability to ask questions and vote at the meeting.
Priority of Listing Rules in the event of conflict with the Proposed Constitution	<ul style="list-style-type: none"> Pursuant to Listing Rule 15.11.1, if an entity amends its constitution, the amendments must be consistent with the Listing Rules. However, Listing Rule 15.11.1 does not apply if the entity's constitution includes certain pro-forma provisions that are set out in Appendix 15A and 15B (as applicable) to the Listing Rules. Listed entities have the option of including these pro-forma provisions in their constitution, which are intended to ensure that in the event of any inconsistency between the entity's constitution and the Listing Rules, the Listing Rules will prevail. Provisions which reflect Appendix 15A of the Listing Rules are included in the Proposed Constitution. A primary benefit of including these provisions is that the Proposed Constitution will not require modification to the extent that a change to the Listing Rules requires the constitution of a listed entity to contain or omit certain provisions.
Joint holders	The existing Constitution provides that the Company is not bound to register more than three persons as joint holders of securities. In April 2021, ASX announced the replacement of the existing CHES clearing system with CHES Replacement. The Proposed Constitution increases the limit on joint holders of securities to four people, in preparation for the implementation of the CHES Replacement, which will allow up to four joint holders of a security. The CHES Replacement is scheduled for implementation in April 2023.
General amendments	The Proposed Constitution includes provisions that reflect changes in terminology that are contained in the Corporations Act, the Listing Rules and ASX Settlement Operating Rules. Rules in the existing Constitution that are out of date or that restate Corporations Act or Listing Rule requirements, have not been included in the Proposed Constitution to simplify the constitution and minimise the need for further updates in the event of any legislative or regulatory change in the future.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of the adoption of the Proposed Constitution.

Explanatory Notes on the Business of the AGM continued

Item 7 – Approval of proportional takeover provisions

Background

A proportional takeover bid is a takeover bid where the offer made to each shareholder of the company is only for a proportion of that holder’s securities, and not for their entire holding. If a shareholder accepts an offer under a proportional takeover bid in full, they will dispose of the specified proportion of their shares and retain the balance of their shares.

Under the Corporations Act, a company may include proportional takeover provisions in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by shareholders other than the bidder and its associates. These provisions are designed to assist shareholders to receive proper value for their shares if a proportional takeover bid is made for the company.

Pursuant to the Corporations Act, proportional takeover provisions cease to have effect if they are not renewed by a special resolution of shareholders every three years. Proportional takeover provisions are contained in rule 79 and 80 of the existing Constitution. These provisions are no longer effective and they are deemed, by operation of the Corporations Act, to have been omitted from the existing Constitution.

Item 7 proposes to approve the insertion of proportional takeover provisions into the Constitution that is in force at the time. Specifically if:

- Item 6 is passed and the Proposed Constitution is adopted and Item 7 is passed the proportional takeover provisions will be inserted into the Proposed Constitution as rule 13.11 and Schedule 6; or
- Item 6 is not passed and Item 7 is passed the proportional takeover provisions will be inserted into the existing Constitution replacing current rules 79 and 80.

For Item 7 to be passed as a special resolution, in accordance with the Corporations Act, at least 75% of the votes cast by shareholders entitled to vote on the resolution must be in favour of the resolution. If Item 7 is passed by the requisite majority, the proportional takeover provisions will have effect for a period of three years from the date of the AGM (unless renewed by shareholders by passing a special resolution).

Copies of the Company’s existing Constitution, the Proposed Constitution, including the proportional takeover provisions set out in rule 13.11 and Schedule 6 and a mark-up of the Company’s existing Constitution showing the insertion of the proportional takeover provisions as rules 79 and 80, replacing current rules 79 and 80, are available on the Company’s website at www.pendalgroup.com/shareholders

Statement under the Corporations Act

Section 648(G)(5) of the Corporations Act requires that the information set out in the table below be provided to shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

Effect of proportional takeover provisions	<p>The effect of the proportional takeover provisions is that if a proportional takeover bid is made in regards to the Company, the Company must not register the transfer of a transfer of shares giving effect to any acceptance of the bid unless the proportional takeover bid is approved by shareholders. Specifically, the Board must ensure that:</p> <ul style="list-style-type: none">• a meeting of the relevant class of securityholder (being the holders of the class of securities that is the subject of the takeover bid) is held to consider whether or not to approve the bid; and• a resolution to approve the bid is voted on more than 14 days before the bid period closes (that is, no later than 15 days before the last day of the bid period, or such later date as is approved by ASIC). <p>The resolution will be approved if more than 50% of eligible votes cast are in favour of the resolution. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, but the bidder and its associates are not allowed to vote.</p> <p>If the resolution is not approved, binding acceptances under the takeover bid must be rescinded, and all unaccepted offers and offers failing to result in binding contracts will be taken to have been withdrawn.</p> <p>If no such resolution is voted on before the required deadline, the bid will be taken to have been approved. The directors will breach the Corporations Act if they fail to ensure the approving resolution is voted on.</p> <p>If the bid is approved (or taken to have been approved), transfers under the takeover bid can be registered, provided that they otherwise comply with the Corporations Act and the Constitution.</p> <p>The proportional takeover approval provisions do not apply to full takeover bids and will only apply for three years after the date of renewal, unless renewed again by a special resolution of shareholders.</p>
Reasons for inserting the proportional takeover provisions	<p>If the proportional takeover approval provisions are not included in the Constitution, a proportional takeover bid may allow control of the Company to pass without shareholders having the opportunity to dispose of all of their shares to the bidder. Shareholders may therefore be at risk of control passing to the bidder without payment of an adequate control premium for their shares whilst also being exposed to the risk of becoming a minority holder in the Company.</p> <p>The proposed proportional takeover provisions decrease this risk because they allow shareholders to collectively decide whether a proportional takeover bid is acceptable in principle and should be permitted to proceed, and assists in ensuring that any proportional takeover bid is appropriately priced. The Board considers that shareholders should have the opportunity to vote on any proportional takeover bid for the Company for the reasons outlined above.</p>

No knowledge of any acquisition proposals

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

Review of proportional takeover provisions

To date, there have been no full or proportional takeover bids for the Company.

Accordingly, there have been no actual examples against which the advantages or disadvantages of the previous proportional takeover provisions (that is, rules 79 and 80 of the Constitution) can be reviewed for the directors and the shareholders respectively. The directors of the Company are not aware of any potential takeover bid that was discouraged by these provisions.

Potential advantages and disadvantages

The inclusion of the proportional takeover provisions in the Constitution will enable the Board to formally ascertain the views of shareholders in respect of a proportional takeover bid. In the absence of such provisions, the directors will be required to depend on their perception of the interests and views of shareholders in this regard.

The Board considers that the insertion of the proportional takeover approval provisions has no potential advantages or disadvantages for them. Accordingly, they remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for shareholders of the Company include the following:

- shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- the provisions may help shareholders avoid being locked in as a minority;
- the provisions may increase shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- having knowledge of the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and whether to accept or reject an offer under the bid.

The potential disadvantages of the proportional takeover approval provisions for shareholders of the Company include the following:

- proportional takeover bids for shares in the Company may be discouraged and the chance of a proportional takeover bid being successful may be reduced;
- the provisions may reduce the opportunities which shareholders may have to sell all or some of their shares at a premium to persons seeking control of the Company;
- it is possible that the existence of the provisions might have an adverse effect on the market value of the Company's shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the share price;
- the Company's share price may be depressed or shareholders may lose an opportunity of selling some of their shares at a premium; and
- the provisions may be considered an additional restriction on the ability of individual shareholders to deal freely in their shares.

The Board considers that the potential advantages of the proportional takeover provisions for shareholders outweigh the potential disadvantages. In particular, as shareholders on the whole are able to decide whether or not a proportional takeover bid is successful.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of the approval of the proportional takeover provisions.

Glossary

In this Notice of Meeting:

AGM	means the annual general meeting of the Company to be held on Friday, 10 December 2021 at 10.00 am (AEDT).
Annual Report	means the Company's annual report to shareholders for the financial year ended 30 September 2021.
Chairman	means the chairman of the AGM and includes any acting chairman during the AGM.
Closely Related Party	has the same meaning as the definition in section 9 of the Corporations Act and includes a person's spouse and child, their spouse's child, their dependent or spouse's dependent and certain other close family members, as well as companies controlled by that person.
Company	means Pental Group Limited (ABN 28 126 385 822).
Constitution	means the constitution of the Company.
Corporations Act	means the Corporations Act 2001 (Cth), as amended.
Director or Directors	means a director or directors of the Company.
KMP or Key Management Personnel	means the key management personnel of the Company as disclosed in the Remuneration Report.
Listing Rules	means the listing rules of ASX Limited.
LTI	means long term incentive.
Non-executive Directors or NEDs	means the non-executive Directors of Pental Group.
Pental Group	means Pental Group Limited (ABN 28 126 385 822).
Remuneration Report	means the remuneration report contained in the Company's Directors' Report for the financial year ended 30 September 2021 and set out in the Annual Report.
Restricted Securities	has the meaning given in the Listing Rules.

Further information

If you need any further information regarding the AGM, please contact Link Market Services on 1300 792 077 (toll free in Australia), or from outside Australia on + 61 1300 792 077.

