



<b>Company</b>	Link Group
<b>Code</b>	LNK
<b>Meeting</b>	AGM
<b>Date</b>	15 November 2019
<b>Venue</b>	MCEC, South Wharf, Melbourne
<b>Monitor</b>	Allan Goldin & Carol Limmer. Meeting attended by Rod McKenzie & John Virgona

<b>Number attendees at meeting</b>	30 shareholders, 20 visitors and 9 on-line
<b>Number of holdings represented by ASA</b>	84
<b>Value of proxies</b>	\$4.5m
<b>Number of shares represented by ASA</b>	758,794 (outside top 20 holders)
<b>Market capitalisation</b>	\$24 billion
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes, with Chairman Michael Carapiet, Fiona Trafford-Walker Chair of the Risk & Audit Committee, Dr Sally Pitkin Chair of Human Resources & REM Committee and Craig Curry Head of Investor Relations.

### Link – becoming a global organisation

The Chair Michael Carapiet described FY19 as a “transformative year” with greater than 40% of revenue now generated outside of Australia. The company has suffered a number of headwinds – particularly in their overseas divisions. These included Woodford Fund & Brexit in the UK and superannuation issues in Australia following the Royal Commission. Despite this, revenue and statutory NPAT rose. Divestments of CPCS & LMS in South Africa released capital for a share buy-back of up to 10% of the issued capital during FY20.

MD John McMurtrie expanded on the operational performance in what was the 4<sup>th</sup> year as a public company. Link had recently announced an investment in the Smart Pension – a leading UK workplace pension provider.

The UK division Link Fund Solutions (LFS) had purchased Capita – the manager of Woodford Equity Income Fund in 2017 for \$1.5 billion. Due to the very high level of redemptions and the illiquid nature of many of the investments, LFS froze the fund and is now in the process of winding it up. ASA questioned this issue and stated that Australian investors were not fully

informed of developments. UK investors in the Woodford Fund received a 5-page letter from LFS outlining the situation, however this letter was not lodged with the ASX. The ASA monitor felt that in the interests of transparency, a copy of the letter should have been lodged with ASX.

The MD briefly outlined changes to CHESS as proposed by ASX but stated a lot more information was required.

Director elections were straightforward with no questions asked from the floor or from the on-line audience.

The remuneration report passed with 98% in favour. Link had not awarded the short-term incentive (STI) payments for FY19 because the EBITDA gateway was not met. Further, there was a reduction in maximum STI for FY20 from 200% of Fixed remuneration to 150% of Fixed remuneration. The non-executive directors' fees increases were deferred due to the challenging year.

ASA raised a concern that 50% of the TSR component of the long-term incentive (LTI) is made at the 50<sup>th</sup> percentile, rising to 100% at the 75<sup>th</sup> percentile. The ASA would prefer a more gradual commencement – say 30% awarded at the 50<sup>th</sup> percentile rising to 100% at the 85<sup>th</sup> percentile.

All resolutions were passed with 98% or greater votes in favour. The meeting was over in less than one hour. A web-cast of the meeting is now available on the Link website.