



Notice of Annual General Meeting

Dear Shareholder,

It is my pleasure to invite you to attend the 2019 Annual General Meeting (AGM) of Pendal Group (ASX: PDL). The AGM will be held in the Fullerton Hotel (previously known as 'The Westin Hotel') at 1 Martin Place in Sydney, Australia on Friday, 13 December 2019 at 10.00am (Sydney time).

Our Group Chief Executive Officer, Emilio Gonzalez, and I will report to shareholders on the 2019 Financial Year at the meeting. The 2019 AGM agenda will be similar to recent years, providing an opportunity for shareholders to hear directly from the Board and the Group Chief Executive Officer, to ask questions and to vote on matters to be put before the meeting. The resolutions are contained in this Notice of Meeting.

We also refer you to the 2019 Annual Report which was published at the time of our Full Year Results Announcement on 6 November 2019, which sets out a full account of the year. The Annual Report is available on Pendal Group's website at www.pendalgroup.com.

This year Pendal has reported a reduced profit on the previous year, for the first time in eight years. A confluence of events, including a significant reduction in J O Hambro Capital Management performance fees and impacts on revenue as a result of investor sentiment in reaction to geo-political and macro-economic events, have contributed to this outcome.

As a global asset manager, we are attuned to cycles. However, we always look to the long term. We consistently execute our long-term strategy and we seek out long-term growth opportunities. Our asset managers invest to deliver long-term returns for their clients and, as a listed company, we seek to deliver sustainable, long-term growth for our shareholders.

A final dividend of 25 cents per share was declared, bringing total dividends for the year to 45 cents. Total Shareholder Return since listing is 188 per cent, which is well above the 67 per cent return of the Standard and Poor's ASX 200 Accumulation Index over the same period.

If you are unable to attend in person, you can access the webcast of the AGM, which is broadcast live via Pendal Group's website, and you can view it at any time, post the AGM.

If you are unable to attend the AGM but wish to vote, you will need to appoint a proxy. This can be done online ahead of the AGM by logging on at www.linkmarketservices.com.au. Methods of voting are described in detail on page 4 in this Notice.

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 4. We will not be able to respond directly to all questions submitted, but I will consider these questions in preparing my AGM address.

Details of how to get to the AGM are set out on page 2 of this Notice.

The Board and executive team look forward to welcoming you to Pendal Group's 2019 AGM and to meeting you over light refreshments at the conclusion of the meeting.

James Evans
Chairman

13 November 2019

Important Information for Shareholders

Documents

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

- the Notice of Meeting;
- a personalised proxy form and return envelope;
- a copy of the Annual Report, if you have elected to receive a hard copy by mail; 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: + 611300 792 077

By facsimile:

+ 612 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.

Live AGM webcast

A live webcast of the AGM will be broadcast online at www.pendalgroup.com/shareholders. The webcast will also be recorded and made available to view after the AGM on the Pental Group website.

Presentation to shareholders

At the conclusion of the AGM, Pental Group Portfolio Managers will give a short presentation to shareholders, providing some insights into markets and Pental Group's portfolios. These presentations will not be available as part of the live webcast.

How to get to the AGM

The Fullerton Hotel (previously known as "The Westin Hotel" prior to 18 October 2019) is located at 1 Martin Place, Sydney and can be accessed via Pitt Street.



Date:	Friday, 13 December 2019
Time:	10.00 am (Sydney time)
Venue:	The Fullerton Hotel (previously known as "The Westin Hotel") 1 Martin Place, Sydney NSW 2000

The Annual General Meeting (**AGM**) of Pental Group Limited (**Pental Group** or **the Company**) will be held at The Fullerton Hotel (previously known as, “The Westin Hotel”), 1 Martin Place, Sydney on Friday, 13 December 2019, commencing at 10.00 am (Sydney time), with registration from 9.30 am (Sydney time).

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 2019.

2. Re-election of Director

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

“That, Kathryn Matthews, 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 2019.

Note: *This resolution is advisory only and does not bind the Company or the Directors.*

4. Approval of 2019 LTI Grant of Performance Share Rights to Mr Emilio Gonzalez, 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 Emilio Gonzalez under the terms of the Performance Reward Scheme) on the terms described in the Explanatory Notes to this Notice of Meeting.”

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

13 November 2019

Other Information

Entitlement to attend and vote

You will be eligible to attend and vote at the AGM if you are registered as a holder of Pental Group shares at 7.00 pm on Wednesday, 11 December 2019 (Sydney time).

Attending the AGM in person

Eligible shareholders may attend the AGM and vote in person. If you attend the AGM in person, you do not need to submit a proxy form.

You may still attend the AGM and vote in person, 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.

If you will be attending the AGM, please bring your personalised proxy form with you. The barcode at the top of the form will assist you in registering for the AGM. If you do not bring your proxy form with you to the AGM you will still be asked to verify your identity.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf rather than attend the AGM in person. 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 Pental Group shareholder and may be an individual or a body corporate.
- 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 4 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 and 4 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 and 4 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 and 4 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 (Sydney time) on Wednesday, 11 December 2019, 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
- **Posting** it to: Link Market Services Limited, Locked Bag A14, Sydney South, NSW, 1235, Australia
- **Faxing** it to: + 61 2 9287 0309
- **Hand delivery** to: Link Market Services Limited, Level 12, 680 George Street, Sydney, NSW, 2000 or 1A Homebush Bay Drive, Rhodes, NSW 2138 before 10.00 am on Wednesday, 11 December 2019.

Corporate shareholders

Corporate shareholders may appoint a representative to attend the AGM on their behalf. The representative must bring 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

Questions from shareholders

You may ask questions at the AGM about any of the resolutions being considered at the AGM or general questions about Pental 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.

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 see the Shareholder Question Form for information on how to submit your question.

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 2019, 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 Kathryn Matthews BSc BEc

Kathryn Matthews is retiring at the AGM by rotation and, in accordance with the Constitution, offers herself for re-election as a Director.

In accordance with Rule 48(b) of the Constitution, Kathryn Matthews holds office until the conclusion of the AGM and offers herself for re-election as a Director.

Kathryn Matthews was appointed Non-executive Director of the Company on 1 December 2016 and is a member of the Remuneration & Nominations Committee.

Kathryn, who is based in the United Kingdom, has 38 years’ experience in the financial services industry. She has held executive positions in global asset management businesses in the UK and Hong Kong, including Chief Investment Officer, Asia Pacific ex Japan at Fidelity International based in Hong Kong and Head of Portfolio Strategies Group & Global Equities Team at Fidelity Investments in the UK. She commenced her career at Baring Asset Management, holding a broad range of roles over sixteen years, including as the Head of Institutional Business, Europe & UK.

Kathryn is currently Chair of Barclays Investment Solutions Limited, a non-executive director of J O Hambro Capital Management Holdings Limited as well as the following UK based companies: Barclays Bank UK Plc, VinaCapital Vietnam Opportunity Fund Limited and APERAM Plc.

Kathryn is also a member of the Council and Chairman of Pension Trustees for the Duchy of Lancaster, the private estate of the British sovereign, and a member of the Board of Trustees for the Nuffield Trust.

Board Recommendation

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

Item 3 – Remuneration Report

The Company’s Remuneration Report for the year ended 30 September 2019:

- 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 available in the Annual Report (pages 36-66), 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 2018 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,

unless the vote is cast as a proxy for a person who is entitled to vote on Item 3, and:

- the vote is in accordance with a direction on the proxy form; or
- 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

The Board unanimously recommends that shareholders vote in favour of the adoption of the Company’s Remuneration Report for the year ending 30 September 2019.

Explanatory Notes on the Business of the AGM continued

Item 4 – Approval of 2019 LTI Grant of Performance Share Rights to Mr Emilio Gonzalez, Group Managing Director and CEO

The resolution is being put to shareholders to obtain approval for the grant to Mr Gonzalez of 136,085 performance share rights (PSR) in accordance with the performance reward scheme approved by the Board Remuneration and Nominations Committee on 26 November 2015 (**Performance Reward Scheme**) and the acquisition of ordinary shares in the Company on the exercise 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 2019 to 30 September 2022 (**Performance Period**).

The number of PSRs to be granted (being 136,085) was based on a value of \$1,000,000 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 (being \$7.3483 per share).

PSRs form part of Mr Gonzalez'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.

Why is approval sought?

Pursuant to Listing Rule 10.15B, shareholder approval is not required under ASX Listing Rule 10.14 where Mr Gonzalez'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 Gonzalez 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 again 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. At the 2018 AGM, over 96% of votes cast on the 2018 LTI grant of performance share rights to Mr Gonzalez were in favour of the grant.

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 Gonzalez 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 2022. There will be no re-testing.

TSR Rights

68,042 of Mr Gonzalez's 2019 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	Pendal Group's TSR Performance
Below the median of the ASX200	Nil
At the median of the ASX200	50%
For each 1% increase in ranking above the median up to the 75th percentile	An additional 2%
At or above 75th percentile	100%

Cash EPS Rights

68,043 of Mr Gonzalez's 2019 PSRs will vest and become exercisable if the Company's cash earnings per share (Cash EPS) meets certain compound annual growth rate thresholds (Cash EPS Rights). The number of Cash EPS Rights that will vest is calculated as follows:

Cash EPS over Performance Period	Percentage of Cash EPS Rights to vest
Less than or equal to 5%	Nil
5%	50%
More than 5% but less than 10%	Straight line vesting between 50-100%
10% or more	100%

Key terms of Performance Share Rights

Date of granting and vesting	The PSRs will be granted to Mr Gonzalez on or about 20 December 2019. The PSRs will vest and become exercisable on 1 October 2022, following which they may be exercised at any time between 1 October 2022 to 30 September 2027 (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 Gonzalez may not exercise his vested PSRs during a blackout period as nominated by Pental Group in accordance with its insider trading policy or if he possesses inside information (for the purposes of the Corporations Act) in relation to Pental Group.
Cessation of employment	If Mr Gonzalez'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 Gonzalez to Pental Group; and (d) exercise of Board discretion.
Change of control	<p>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.</p> <p>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).</p>

Voting Exclusions

The Company will disregard any votes cast on Item 4:

- in favour of the resolution by or on behalf of Mr Gonzalez 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 4 if they are cast as proxy for a person entitled to vote on Item 4, and:

- the vote is cast in accordance with a direction on the proxy form; or
- 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 Gonzalez) considers that:

- the grant of the PSRs to Mr Gonzalez 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 Gonzalez's performance and TSR and increased Cash EPS over the Performance Period, strengthening the alignment of Mr Gonzalez's interests with shareholders.

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

Glossary

In this Notice of Meeting:

AGM means the annual general meeting of the Company to be held on Friday, 13 December 2019 at 10.00 am.

Annual Report means the Company's annual report to shareholders for the financial year ended 30 September 2019.

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.

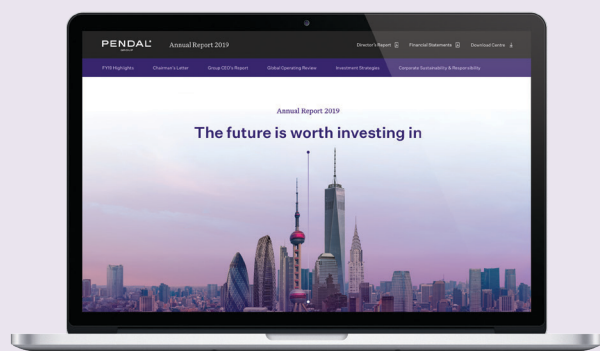
Non-executive Directors or **NEDs** means the non-executive Directors of Pental Group.

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 2019 and set out in the Annual Report.

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.



Go to annual-report-2019.pentalgroup.com to review the Group's online annual review for 2019, including a video address from the Group CEO and the philosophies behind our investment strategies.