



# LIBERTY FINANCIAL GROUP 2022 NOTICE OF ANNUAL GENERAL MEETING

The 2022 Annual General Meeting will be held online at <https://meetings.linkgroup.com/LFG2022> and in person at PricewaterhouseCoopers, Level 19, 2 Riverside Quay, Southbank Victoria 3006.

**Wednesday, 9 November 2022 at 1.30pm (AEDT)**





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# Letter from the Chair

Dear Securityholder,

I am pleased to invite you to attend the Liberty Group 2022 Annual General Meeting, which will comprise the Annual General Meeting of the shareholders of Liberty Financial Group Limited and a meeting of unitholders of the Liberty Financial Group Trust, to be held concurrently (**Meeting**).

The Meeting will be held on Wednesday, 9 November 2022 starting at 1.30pm (AEDT) online at <https://meetings.linkgroup.com/LFG2022> and in person at PricewaterhouseCoopers, Level 19, 2 Riverside Quay, Southbank Victoria 3006.

While Securityholders and proxyholders can attend in person, we encourage you to participate online. Should either Federal or State Government guidance restrict the ability to attend in person, we will advise alternate arrangements via an announcement to the ASX and on [www.lfgroup.com.au](http://www.lfgroup.com.au).

Securityholders and proxyholders who attend the Meeting online will be able to participate in the Meeting by watching the event, voting and asking questions and making comments online in real time.

For instructions and further information on how to attend and participate at the Meeting, please refer to this Notice of Meeting and the Virtual Meeting Online Guide.

The business of the Meeting is to consider the 2022 Financial Report, Directors' Report, Remuneration Report and Auditor's Report as well the election of Dr Jane Watts and the re-election of Mr Peter Hawkins as Non-Executive Directors.

We will also seek approval for the grant of equity securities to our Executive Directors, Mr James Boyle and Mr Sherman Ma, and updates to the Company's Constitution.

I look forward to welcoming you at the 2022 Meeting.

Yours sincerely,



Richard Longes  
Chair





# How to participate in the 2022 AGM

## Attend Online

Securityholders and proxyholders can participate in the Meeting online using your computer or other device by entering this link in your browser:

<https://meetings.linkgroup.com/LFG2022>

Securityholders will need to log in to the platform using their full name, mobile number, email address and participant type. Proxyholders will need their 'Proxy Number' which will be provided to you by Link Market Services by email before the Meeting.

Please refer to the Virtual Meeting Online Guide on our website [www.lfggroup.com.au](http://www.lfggroup.com.au). We recommend logging in to the platform at least 15 minutes prior to the scheduled start of the Meeting.

## Attend in person

Securityholders and proxyholders may attend the Meeting in person at PricewaterhouseCoopers, Level 19, 2 Riverside Quay, Southbank Victoria 3006.

Registration will commence from 1:00pm (AEDT) on the day of the Meeting. To facilitate a smooth registration, please bring a copy of your Proxy Form with you on the day.

Securityholders attending the Meeting physically will be required to adhere to enhanced hygiene and registration requirements in order to gain access, along with applicable directions from relevant Health Authorities in force in Melbourne at the time of the Meeting.

## Telephone

You will be able to dial in to listen to the Meeting live. Voting is not available via telephone.

Participants will require a unique PIN to participate in the teleconference. To obtain your unique PIN, have your SRN/HRN on hand and contact Link Market Services on 1800 990 363.

## Voting prior to the meeting

Securityholders who are unable to join us at the Meeting are encouraged to appoint a proxy to participate and vote on your behalf.

Securityholders can appoint a proxy online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by following the Proxy Form. These must be submitted no later than 1.30pm (AEDT) on Monday, 7 November 2022.

Even if you plan to attend the Meeting in person or participate online, you are encouraged to submit a directed proxy vote in advance of the Meeting so that your votes can be counted if for any reason you cannot attend.

## How to ask questions

### Prior to the Meeting

Securityholders may submit written questions prior to the Meeting. If you wish to submit questions to the Liberty Group or the auditor prior to the Meeting, questions must be received by no later than 1.30pm (AEDT) on 2 November 2022.

Questions can be submitted online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or you can complete and submit the enclosed question form to:

Liberty Financial Group  
C/- Link Market Services  
Locked Bag A14  
Sydney South NSW 1235  
Australia

### During the Meeting

During the Meeting, Securityholders and proxyholders will have a reasonable opportunity to ask questions or make comments.

Online participants can ask questions via the online platform at <https://meetings.linkgroup.com/LFG2022>.

Securityholders and proxyholders who would prefer to ask questions by telephone can do so by dialling 1800 717 441 (within Australia) or +61 2 9189 2004 (outside Australia). For verification purposes, Securityholders and proxyholders will require a PIN code before calling this number during the Meeting. A PIN can be obtained by contacting Link on 1800 990 363 (within Australia) or +61 1800 990 363 (Overseas) at any time before the Meeting. More information

on how to use the online facility (including the question telephone line) is available in the Virtual Meeting Online Guide which is available on the Liberty Group website at [www.lfgroup.com.au/reports/agm](http://www.lfgroup.com.au/reports/agm).

The Chair of the Meeting will seek to address as many of the more frequently raised topics as possible. It is not uncommon for a number of Securityholders to ask the same or similar questions. To facilitate the orderly conduct of the meeting and ensure all Securityholders have a reasonable opportunity to participate, questions may be moderated or grouped together to avoid repetition and to make them more concise.

### COVID-19

Securityholders and proxyholders are encouraged to check the Liberty Group's market announcements and website shortly before the Meeting for up-to-date information about COVID-19 restrictions, in case the Liberty Group needs to change its arrangements for holding or conducting the Meeting.

We request that you do not attend the AGM if you feel unwell or have been in contact with someone who may have COVID-19. For the health and safety of all attendees, we will observe any government requirements that apply.



# Liberty Group (LFG) Notice of 2022 Annual General Meeting

**NOTICE IS GIVEN** that:

- the annual general meeting of the shareholders of the Company; and
- a general meeting of the unitholders of the Trust,

will be held concurrently on the 9th day of November 2022 at 1.30pm (AEDT) online at <https://meetings.linkgroup.com/LFG2022> and in person at PricewaterhouseCoopers, Level 19, 2 Riverside Quay, Southbank Victoria 3006.

This Notice of Meeting (**Notice**) is issued by the Company and by Liberty Fiduciary Ltd (ACN 119 884 623) (**Responsible Entity**) in its capacity as responsible entity for the Trust.

Each of the constitutions of the Company and the Trust provide that, while the shares in the Company are stapled to units in the Trust, meetings of shareholders of the Company and unitholders of the Trust (**Securityholders**) may be held concurrently. Accordingly, the Meeting will be a general meeting of Securityholders of both the Company and the Trust (together **LFG** or the **Liberty Group**).

Resolutions which are referred to below as being “in respect of the Company only” will be voted on by Securityholders in their capacity as shareholders of the Company. The other resolutions will be voted on by Securityholders both in their capacity as shareholders of the Company and as unitholders of the Trust.

Terms and abbreviations are defined in the Glossary at the end of this Notice and Explanatory Statement.

For further information please refer to the Explanatory Statement which accompanies and forms part of this Notice.

# Business of the Meeting

## Items of Business

### 1. Financial Statements and Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the Liberty Group for the year ended 30 June 2022.

There is no requirement for Securityholders to approve these reports.

### 2. Non-binding Advisory Vote on Remuneration Report

To consider the Remuneration Report for the financial year ended 30 June 2022 and, if thought fit, to pass the following **non-binding ordinary resolution** of the Company:

*"THAT pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 30 June 2022."*

This resolution is in respect of the Company only. In accordance with section 250R(3) of the Corporations Act, the vote on Item 2 will be advisory only and will not bind the Directors or the Company.

*Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice for further details.*

### 3(a) Election of Director

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

*"THAT Dr Jane Watts, who was appointed in accordance with clause 22.6 of the Company Constitution and is eligible for re-election under clause 22.7 of the Company Constitution, be elected as a director of the Company with effect from the close of the Meeting, for the purposes of ASX Listing Rule 14.4 and for all other purposes."*

This resolution is in respect of the Company only.

### 3(b) Re-election of Director

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

*"THAT Mr Peter Hawkins, having retired from his office as a Director in accordance with clause 23.2 of the Company Constitution and ASX Listing Rule 14.5, and being eligible, having offered himself for re-election, be re-elected as a Director of the Company."*

This resolution is in respect of the Company only.

### 4. Approval of Medium Term Incentive (MTI) award to Mr James Boyle

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

*"THAT approval be given, for the purposes of ASX Listing Rule 10.14, and for all other purposes, for the grant to the CEO of the Liberty Group, Mr James Boyle (and/or his nominee(s)), equity securities under the LFG Equity Incentive Plan and as set out in the Explanatory Statement to this Notice."*

*Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice for further details.*

### 5. Approval of MTI award to Mr Sherman Ma

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

*"THAT approval be given, for the purposes of ASX Listing Rule 10.14, and for all other purposes, for the grant to the Executive Director of the Liberty Group, Sherman Ma (and/or his nominee(s)), equity securities under the LFG Equity Incentive Plan and as set out in the Explanatory Statement to this Notice."*

*Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice for further details.*





## 6. Approval of Long Term Incentive (LTI) award to Mr James Boyle

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

*“THAT approval be given, for the purposes of ASX Listing Rule 10.14, and for all other purposes, for the grant to the CEO of the Liberty Group, Mr James Boyle (and/or his nominee(s)), equity securities under the LFG Equity Incentive Plan and as set out in the Explanatory Statement to this Notice.”*

*Note: A voting exclusion statement applies to this item of business. See the section below headed ‘Voting Exclusions’ in this Notice for further details.*

## 7. Approval of LTI award to Mr Sherman Ma

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

*“THAT approval be given, for the purposes of ASX Listing Rule 10.14, and for all other purposes, for the grant to Mr Sherman Ma, Executive Director of the Liberty Group (and/or his nominee(s)), equity securities under the LFG Equity Incentive Plan and as set out in the Explanatory Statement to this Notice.”*

*Note: A voting exclusion statement applies to this item of business. See the section below headed ‘Voting Exclusions’ in this Notice for further details.*

## 8. Amendments to the Company Constitution

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

*“THAT for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution of the Company be amended in the manner set out in the accompanying Explanatory Statement, with effect from the close of the Meeting.”*

This resolution is in respect of the Company only.

By Order of the Board.

Peter Riedel  
Company Secretary

10 October 2022

# Voting Exclusions

Item(s)	Voting Exclusion
2	<p data-bbox="264 353 1318 421">Item 2 is a resolution which directly or indirectly relates to the remuneration of Key Management Personnel.</p> <p data-bbox="264 445 1455 622">In accordance with the requirements of the Corporations Act and the ASX Listing Rules, the Company will disregard any votes cast in favour of Item 2 by or on behalf of a member of the Key Management Personnel (<b>KMP</b>) whose remuneration details are included in the Remuneration Report for the year ended 30 June 2022, or that KMP's Closely Related Party (together, <b>Item 2 Excluded Persons</b>).</p> <p data-bbox="264 647 1098 674">However, this does not apply to a vote cast in favour of Item 2 by:</p> <ul data-bbox="264 698 1436 920" style="list-style-type: none"> <li data-bbox="264 698 1436 766">• an Item 2 Excluded Person as proxy for a person entitled to vote on Item 2 in accordance with their direction on the proxy form; or</li> <li data-bbox="264 779 1436 920">• the Chair of the Meeting as proxy for a person entitled to vote on Item 2, where the proxy appointment does not specify the way the proxy is to vote and expressly authorises the Chair to vote undirected proxies as the Chair sees fit even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.</li> </ul> <p data-bbox="264 934 1455 1070">If the Chair is your proxy or is appointed as your proxy by default, and you do not direct the Chair how to vote on Item 2 on your proxy form, you will be expressly authorising the Chair to vote on Item 2 as the Chair sees fit. The Chair intends to vote undirected proxies in favour of Item 2.</p>
4 5 6 7	<p data-bbox="264 1115 1436 1256">In accordance with the requirements of the Corporations Act and the ASX Listing Rules, the Company will disregard any votes cast in favour of Items 4, 5, 6 and 7 by or on behalf of any director who is eligible to participate in the Liberty Group's Equity Incentive Plan and any of their associates or Closely Related Parties.</p> <p data-bbox="264 1281 1254 1308">However, this does not apply to a vote cast in favour of Items 4, 5, 6 and 7 by:</p> <ul data-bbox="264 1332 1455 1809" style="list-style-type: none"> <li data-bbox="264 1332 1455 1400">• a person as proxy or attorney for a person entitled to vote on the resolution in accordance with directions given to the proxy or attorney to vote on the resolution in that way;</li> <li data-bbox="264 1413 1455 1518">• the Chair of the Meeting as proxy or attorney for a person entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair sees fit; or</li> <li data-bbox="264 1532 1455 1809">• a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul data-bbox="296 1615 1423 1809" style="list-style-type: none"> <li data-bbox="296 1615 1423 1720">- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and</li> <li data-bbox="296 1733 1347 1809">- the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.</li> </ul> </li> </ul> <p data-bbox="264 1823 1455 1989">If the Chair is your proxy or is appointed as your proxy by default, and you do not direct the Chair how to vote on Item 4, 5, 6 or 7 on your proxy form, you will be expressly authorising the Chair to vote on the Item or Items as the Chair sees fit. The Chair intends to vote undirected proxies in favour of Items 4, 5, 6 and 7.</p>



# Eligibility to participate and vote

The Directors of the Company and the Responsible Entity have determined that pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* persons holding Securities in the Liberty Group at 7:00pm (AEDT) on 8 November 2022 will, for the purposes of determining voting entitlements at the Meeting, be taken to be the Securityholders of the Liberty Group.

In the case Securities are held by joint holders, if more than one joint holder is present at the Meeting (whether personally, by proxy or by attorney or representative) and tenders a vote, only the vote of the person whose name stands first in the register will be counted.

## Registration

Securityholders wishing to attend the Meeting online can register to participate in the Meeting via the online platform at <https://meetings.linkgroup.com/LFG2022>.

In person registration will commence from 1:00pm (AEDT) on Wednesday, 9 November 2022. To facilitate a smooth registration, please bring a copy of your Proxy Form with you on the day.

## How to vote

### Voting prior to the Meeting

You may vote online prior to the Meeting. Go to [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). You must enter your vote online no later than 1.30pm (AEDT) on Monday, 7 November 2022.

Securityholders may complete the enclosed Proxy Form and deliver it to the Liberty Group prior to the Meeting.

Securityholders should complete their voting directions by selecting 'FOR' or 'AGAINST' or 'ABSTAIN' for each resolution on the Proxy Form.

### Voting in person – during the Meeting

You may still attend the Meeting and vote in person even if you have voted online or appointed a proxy prior to the Meeting.

You will be provided with a poll voting card on the day. If you have previously voted online and you vote during the Meeting, your vote at the Meeting will cancel your online vote (unless you instruct Liberty Group or Link Market Services otherwise) or suspend your proxy appointment while you are present at the Meeting.

### Voting online – during the Meeting

Online attendees can vote in real-time during the Meeting when invited to by the Chair.

### Appoint a Proxy or Nominee

Alternatively, Securityholders may appoint a proxy to vote and act on your behalf at the Meeting.

To appoint a proxy, Securityholders should complete the enclosed Proxy Form. If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on Items 2, 3(a), 3(b), 4, 5, 6, 7 or 8 then by submitting the Proxy Form you will be expressly authorising the Chair to exercise your proxy on the relevant resolution, even though the resolutions may be connected, directly or indirectly, with the remuneration of KMP.

If no direction is given on a resolution, your vote may be passed to the Chair of the Meeting as your proxy.

All proxies given to the Chair of the Meeting, or proxies that do not contain a direction, will be voted by the Chair in accordance with the voting intentions stated on page 8.

Completed Proxy Forms must be received before 1.30pm (AEDT) on 7 November 2022. You can lodge your Proxy forms:

**By mail:**

Liberty Financial Group  
C/- Link Market Services  
Locked Bag A14  
Sydney South NSW 1235  
Australia

(by using the replied paid envelope)

**By fax:**

+61 2 9287 0309

**By hand:**

Delivering it to Link Market Services Limited\*  
Level 12, 680 George Street  
Sydney NSW 2000

\*during business hours Monday to Friday  
(9:00am - 5:00pm) and subject to public health  
orders and restrictions

## Proxies and authorised representatives

A Securityholder who is entitled to attend and vote at the Meeting has the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Securityholder of the Liberty Group.

Securityholders holding two or more Securities can appoint either one or two proxies. Where two proxies are appointed, the appointing Securityholder can specify the number of votes or the proportion of the Securityholder's votes they want each proxy to exercise. If no number or proportion is specified, each proxy may exercise half of the Securityholder's votes. Neither proxy may vote on a show of hands.

Corporate Securityholders must provide the Liberty Group with satisfactory evidence of the appointment of any corporate representative, prior to the commencement of the Meeting.

A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings; and
- provides the Liberty Group with satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If a proxy appointment is signed by the Securityholder but does not name the proxy or proxies in whose favour it is given, the Chair may either act as proxy or complete the proxy appointment by inserting the name or names of one or more Directors or the Secretary. In addition, if you direct your proxy how to vote and your nominated proxy does not attend the Meeting or attends but does not vote on a poll on a resolution, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions.



# Explanatory Statement

This Explanatory Statement has been prepared to provide information that the Directors believe to be material to Securityholders in deciding whether or not to pass a Resolution.

## 1. Financial Statements and Reports (Item 1)

The Corporations Act requires the Financial Report (which includes the Directors' Declaration, Directors' Report and Auditor's Report (**Annual Report**)) to be received and considered at the Meeting.

The Company will not provide a hard copy of the Annual Report to Securityholders unless specifically requested to do so. Liberty Group's Annual Report is available on its website at [www.lfgroup.com.au/reports/agm](http://www.lfgroup.com.au/reports/agm). Those Securityholders who have specifically requested a hard copy of the 2022 Annual Report will receive it by mail.

### Questions and Comments

Securityholders will be given a reasonable opportunity to ask questions about, and make comments on, the Annual Report and the audit and the management of Liberty Group at the Meeting. Neither the Corporations Act nor the Company Constitution requires Securityholders to vote on the Annual Report.

Securityholders will also have a reasonable opportunity at the Meeting to ask KPMG, Liberty Group's auditor, questions about their Auditor's Report. Alternatively, you can submit written questions to the auditor about their Auditor's Report. Written questions must be received by the share registry no later than 1.30 pm (AEDT) on 2 November 2022 at the postal address, web site address or fax number for lodgement of proxies. A list of questions for the auditor will be available at the Meeting.

As there is no requirement for a formal resolution on this item, a resolution will not be put to the Meeting.

## 2. Adoption of Remuneration Report (Item 2)

The Remuneration Report of the Company for the financial year ended 30 June 2022 is set out in the Liberty Group 2022 Annual Report.

The Remuneration Report includes:

- details of the remuneration provided to the non-executive Directors and other executive KMP for the year ended 30 June 2022;
- discussion of the Board's policy in relation to the nature and level of remuneration of the Directors, Chief Executive Officer and other executive KMP, including in relation to performance hurdles; and
- discussion of the relationship between the Board's remuneration policy and the Company's financial performance.

Securityholders will be requested to vote on the Remuneration Report. However, the Securityholder vote is advisory only and does not bind the Directors or the Company. Nevertheless, the Board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

The Chair will allow a reasonable opportunity for Securityholders to ask questions about, or make comments on, the Remuneration Report at the Meeting.

### Recommendation

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this item.

### 3. Election of Dr Jane Watts and re-election of Mr Peter Hawkins (Items 3(a) and 3(b))

The ASX Listing Rules require that an election of Directors must take place at each annual general meeting of a listed entity.

#### Dr Jane Watts

Dr Jane Watts was appointed to the Board since the last annual general meeting under clause 22.6 of the Company's Constitution. Any director under this clause may hold office until the next annual general meeting and is then, under clause 22.7 of the Company Constitution, eligible for election at that meeting. Jane Watts is eligible for election under clauses 22.7 and 22.8 and offers herself for election as a director of the Company.

#### Biography

Dr Jane Watts has over 30 years' experience in banking and financial services in Australia. She has held senior executive positions in Westpac (including BT Financial Group), Macquarie and Lendlease. Over the decades Jane has led large customer-facing businesses covering Private Banking, Financial Advice, Wealth Management, Consumer Banking and Business Banking. Most recently Jane was the Chief Customer Engagement Officer for the Business Bank of Westpac.

Jane was formerly a non-executive director on the financial advisory and accounting boards of Findex and Lachlan Partners. Jane is currently on the boards of Family Zone (ASX: FZO), Orygen Youth Mental Health Foundation and Westpac Foundation.

Jane has a Bachelor of Social Sciences (Honours, cum laude) and a Ph.D. in Organisational Psychology from the University of Natal, South Africa and was a Post-Doctoral Fellow at the University of Manchester Institute of Science and Technology and the University of Michigan, Ann Arbor, Business School. She is also a Graduate of the Australian Institute of Company Directors.

#### Recommendation

The Board (other than Dr Watts, who has abstained from making a recommendation on this Resolution due to her personal interest) recommends that you vote in favour of this Resolution.

The Board considers Dr Watts to be independent.

#### Mr Peter Hawkins

Mr Peter Hawkins retires by rotation at the close of the Meeting and, being eligible, offers himself for re-election as a Director.

#### Biography

Mr Peter Hawkins has been a non-executive Director since 2006. He is Chair of the Audit, Risk and Compliance Committee, a member of the Remuneration and Nomination Committee and he is Chair of the Responsible Entity.

He has more than 40 years of banking, financial services and wealth management experience in Australia and overseas at both the highest levels of management and directorship of major organisations. He has held various management and directorship positions with Australia and New Zealand Banking Group Limited from 1971 to 2005 including as group managing director of group strategic development, group managing director personal financial services and CEO ANZ Banking Group New Zealand. He was also a director of Mirvac Group Limited, ING Australia Limited, ING (NZ) Limited, Visa Inc, Westpac Banking Corporation Ltd, Clayton Utz, Crestone Holdings Limited and Treasury Corporation of Victoria.

Mr Hawkins has a BCA(Hon) and is a Fellow of the Australian Institute of Company Directors, Fellow of the Australian Institute of Bankers and is an Associate Chartered Accountant (New Zealand).

The Board considers Mr Hawkins to be independent.

#### Recommendation

The Board (other than Mr Hawkins, who has abstained from making a recommendation on this Resolution due to his personal interest) recommends that you vote in favour of this Resolution.



## 4. Approval of MTI Security Rights to Mr James Boyle and Mr Sherman Ma (Items 4 and 5)

### 4.1. MTI Approval

The Company is seeking approval for all purposes, including ASX Listing Rule 10.14 for the following awards under the Equity Incentive Plan (**Plan**):

- (a) \$224,000 worth of Medium Term Incentive (**MTI**) Security Rights to the CEO, Mr James Boyle (and/or his nominee(s)); and
- (b) \$112,000 worth of MTI Security Rights to Executive Director, Mr Sherman Ma (and/or his nominee(s)), (together, the **Executive Directors**).

The maximum number of MTI Security Rights that may be granted to the Executive Directors is calculated by dividing:

- (a) \$224,000 in the case of Mr James Boyle; and
- (b) \$112,000 in the case of Mr Sherman Ma,

by the Allocation Value of the MTI Security Rights. The Allocation Value will be determined using a conventional Black Scholes Model (**BSM**). The BSM is accepted by AASB 2: *Share-based Payments* for instruments subject to non-market hurdles (as defined by AASB 2). The Security price used as an input into the BSM will be the volume weighted average price of the Securities over the 5 trading days prior to the date of grant of the MTI Security Rights.

### 4.2. MTI Performance Hurdles

The Liberty Group has designed the MTI aspect of the Plan so that a portion of Executive KMP remuneration is variable and at risk (**MTI Outcome**). MTI awards are based on achievement of annual targets against key performance indicators (**KPI**) and conduct set by the Board.

The Liberty Group assesses performance for each MTI KPI based on actual outcomes compared to performance levels defined below:

Performance level	Threshold	Maximum
Definition	Achievement of 50% of target	Achievement of 125% of target
Result	0%	100%

### 4.3. MTI KPIs

The FY22 MTI KPIs and actual achieved performance are set out below:

KPI category	KPI	Weight	Target	Actual	MTI Outcome
Financial	NPATA	60%	\$244m	\$231m	0%
Non-financial	Broker NPS	10%	50	81	100%
	Customer NPS	10%	50	64	100%
	Proud Team	10%	75%	97%	100%
	Specialty Share	10%	10%	15%	100%
<b>FY22 MTI KPI outcome</b>		<b>100%</b>			<b>40%</b>



#### 4.4. MTI Outcome

At the conclusion of FY22, the Board assessed actual performance against KPIs to determine the FY22 MTI Outcome for Executive KMP, including the Executive Directors. No risk adjustment was applied by the Board to the calculated KPI outcomes. Details of the Executive Directors' calculated KPIs are set out below:

Name	Maximum MTI opportunity	Actual MTI Outcome	MTI as a % of TFR	MTI Cash	MTI Security Rights
James Boyle	\$840,000	\$336,000	40%	\$112,000	\$224,000
Sherman Ma	\$420,000	\$168,000	40%	\$56,000	\$112,000

#### 4.5. Summary of the key terms of the MTI

A summary of the material terms of the MTI, and the Plan under which the MTI Security Rights are offered, is contained in section 6.3 and Appendix B of this Explanatory Statement and section 3.3 of the Liberty Group 2022 Annual Report.

#### 4.6. Securityholder approval

Any issue of Securities in respect of the MTI Security Rights granted to the Executive Directors (and/or their nominee(s)) requires the approval of Securityholders. If Securityholders do not approve Items 4 and 5, the Liberty Group will consider alternative arrangements to appropriately remunerate and incentivise the Executive Directors.

If approval is given for the issue of MTI Security Rights to the Executive Directors as contemplated by Items 4 and 5 under ASX Listing Rule 10.14, further approval is not required (and will not be sought) under ASX Listing Rule 7.1 for any resulting securities to be issued or transferred to or on behalf of the Executive Directors (and/or their nominee(s)) following the vesting and exercise of those MTI Security Rights.

### 5. Approval of LTI awards to Mr James Boyle and Mr Sherman Ma (Items 6 and 7)

#### 5.1. LTI Approval

The Company is also seeking approval for all purposes, including ASX Listing Rule 10.14 for the following awards under the Plan:

- (a) \$1,050,000 worth of Long Term Incentive (LTI) Security Rights (being 125% of TFR) to the CEO, Mr James Boyle (and/or his nominee(s)); and
- (b) \$525,000 worth of LTI Security Rights (being 125% of TFR) to Executive Director, Mr Sherman Ma (and/or his nominee(s)).

The maximum number of LTI Security Rights that may be granted to the Executive Directors is calculated by dividing:

- (a) \$1,050,000 in the case of Mr James Boyle; and
- (b) \$525,000 in the case of Mr Sherman Ma,

by the Allocation Value of the LTI Security Rights. The Allocation Value will be determined using a conventional BSM. The BSM is accepted by AASB 2: *Share-based Payments* for instruments subject to non-market hurdles (as defined by AASB 2). The Security price used as an input into the BSM will be the volume weighted average price of the Securities over the 5 trading days prior to the date of grant of the LTI Security Rights.





## 5.2. LTI KPIs

The Board established the FY22 LTI KPIs for James Boyle and Sherman Ma set out in the table below:

KPIs	Target	Weight
3-year relative total shareholder return ( <b>Relative TSR</b> ) - comparator group being ASX listed non-Bank Financial companies (excluding Insurance)	75th percentile	40%
3-year earnings per share ( <b>EPS</b> ) growth	8%	40%
B Corp score calculated internally using B Corp framework unless re-certified by B Corp	100	20%
<b>Total</b>		<b>100%</b>

## 5.3. Vesting of LTI Security Rights

The number of FY22 LTI Security Rights that vest will be adjusted in December 2025, three years after grant date based on actual performance against the LTI KPIs (**LTI Outcome**). The LTI vesting calculation is set out below:

LTI KPIs	Liberty Group Rank	Percentage of LTI Security Rights that vest
3-year Relative TSR	Up to 50th percentile	Nil
	Greater than 50th percentile up to 75th percentile	Straight line pro rata vesting between 50% and 100%
	75th percentile and above	125%
3-year EPS growth	Up to an including 50%	Nil
	Greater than 50% and up to an including 100%	Straight line pro rata vesting between 50% and 100%
	Above 100%	100%
B Corp score	Up to an including 50%	Nil
	Greater than 50% and up to an including 100%	Straight line pro rata vesting between 50% and 100%
	Above 100%	125%

## 5.4. Summary of the key terms of the LTI

A summary of the material terms of the LTI, and the Plan under which the LTI Security Rights will be offered, is contained in section 6.4 and Appendix B of this Explanatory Statement and section 3.4 of the Liberty Group 2022 Annual Report.

## 5.5. Securityholder approval

Any issue of Securities in respect of the LTI Security Rights granted to the Executive Directors (and/or their nominee(s)) requires the approval of Securityholders. If Securityholders do not approve Items 6 and 7, the Liberty Group will consider alternative arrangements to appropriately remunerate and incentivise the Executive Directors.

If approval is given for the issue of LTI Security Rights to the Executive Directors as contemplated by Items 6 and 7 under ASX Listing Rule 10.14, further approval is not required (and will not be sought) under ASX Listing Rule 7.1 for any resulting securities to be issued or transferred to or on behalf of the Executive Directors (and/or their nominee(s)) following the vesting and exercise of those LTI Security Rights.

## 6. Additional information relevant to Items 4, 5, 6 and 7

### 6.1. Regulatory requirements of ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a listed entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- (a) a director of the entity (ASX Listing Rule 10.14.1);
- (b) an associate of a director of the entity (ASX Listing Rule 10.14.2); or
- (c) a person whose relationship with the entity or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its securityholders (ASX Listing Rule 10.14.3).

### 6.2. Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, in addition to the information set out above, the following information is provided for the purposes of Items 4, 5, 6 and 7:

- (a) both Mr James Boyle and Mr Sherman Ma are Executive Directors of the Company, and therefore fall within ASX Listing Rule 10.14.1;
- (b) Item 4 seeks Securityholder approval for the issue of \$224,000 worth of MTI Security Rights under the Plan to Mr James Boyle (and/or his nominee(s));
- (c) Item 5 seeks Securityholder approval for the issue of \$112,000 worth of MTI Security Rights under the Plan to Mr Sherman Ma (and/or his nominee(s));
- (d) Item 6 seeks Securityholder approval for the issue of \$1,050,000 worth of LTI Security Rights under the Plan to Mr James Boyle (and/or his nominee(s));
- (e) Item 7 seeks Securityholder approval for the issue of \$525,000 worth of LTI Security Rights under the Plan to Mr Sherman Ma (and/or his nominee(s));
- (f) the total number of MTI Security Rights proposed to be issued to the Executive Directors under Items 4 and 5 are to be calculated in accordance with the formula set out at 4.1 above;
- (g) the total number of LTI Security Rights proposed to be issued to the Executive Directors under items 6 and 7 are to be calculated in accordance with the formula set out at 5.1 above;
- (h) the current total remuneration package for the Executive Directors (excluding the equity securities the subjects of Items 4, 5, 6 and 7) are set out below:
  - (i) Mr James Boyle receives \$840,000 (inclusive of superannuation) as a total fixed remuneration (TFR) and a cash bonus of up to a maximum of \$280,000 (being one-third of TFR);



- (ii) Mr Sherman Ma receives \$420,000 (inclusive of superannuation) as a TFR and a cash bonus of up to a maximum of \$140,000 (being one-third of TFR);
- (i) The number of equity securities that have been previously issued to the Executive Directors under the Plan is set out below:
  - James Boyle (and/or nominee)**  
668,077 IPO Bonus Securities  
64,982 FY20 MTI Security Rights  
106,400 FY21 MTI Security Rights
  - Sherman Ma (and /or nominee)**  
334,039 IPO Bonus Securities  
53,200 FY21 MTI Security Rights
- (j) a summary of the material terms of the MTI Security Rights and the LTI Security Rights are set out in sections 6.3 and 6.4 of this Explanatory Statement and sections 3.3 and 3.4 of the Liberty Group 2022 Annual Report, respectively;
- (k) The Board considers that the MTI Security Rights and the LTI Security Rights are an appropriate form of incentive on the basis that:
  - (i) the MTI Security Rights and the LTI Security Rights retain and reward the Executive Directors for the achievement of both medium-term and long-term business objectives;
  - (ii) the Executive Directors will only obtain value from the MTI Security Rights and the LTI Security Rights upon the satisfaction of certain vesting conditions, and the achievement of certain KPIs, in the case of the LTI Security Rights;
  - (iii) MTI Security Rights and LTI Security Rights are simple to understand, likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives for successfully delivering medium-term and long-term objectives of the Liberty Group;
- (l) the Board has attributed a value of:
  - (i) \$224,000 for the MTI Security Rights proposed to be issued to Mr James Boyle under Item 4;
  - (ii) \$112,000 for the MTI Security Rights proposed to be issued to Mr Sherman Ma under Item 5;
  - (iii) \$1,050,000 for the LTI Security Rights proposed to be issued to Mr James Boyle under Item 6;
  - (iv) \$525,000 for the LTI Security Rights proposed to be issued to Mr Sherman Ma under Item 7;
- (m) the MTI Security Rights and the LTI Security Rights the subject of Items 4, 5, 6 and 7 will be issued to the Executive Directors (and/or their nominee(s)) in December 2022 following Securityholder approval, and no later than 1 year after the date of the Meeting;
- (n) the MTI Security Rights and the LTI Security Rights will be issued to the Executive Directors for no consideration. No exercise price will apply to the MTI Security Rights. An exercise price will apply to the LTI Security Rights;
- (o) a summary of the material terms of the Plan, under which the MTI Security Rights and the LTI Security Rights will be offered, is contained in Appendix B to this Notice;
- (p) no loan will be made to the Executive Directors (and/or their nominee(s)) in respect of the grant of MTI Security Rights or the LTI Security Rights;
- (q) details of the MTI Security Rights and the LTI Security Rights issued under Items 4, 5, 6 and 7, along with any other securities issued under the Plan, will be published in the Annual Report of the Liberty Group relating to the period in which they are issued, along with a statement that they were issued pursuant to approval obtained under ASX Listing Rule 10.14;
- (r) any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in any issue of securities under the Plan after these Items 4, 5, 6 and 7 are passed and who was not named in this Notice will not participate in the Plan until approval is obtained under that rule; and
- (s) voting exclusion statements in respect of Items 4, 5, 6 and 7 are included in the Notice.

### 6.3. Key terms of the MTI

<b>Performance period</b>	1 July 2021 to 30 June 2022.
<b>Delivery</b>	<p>If approved, the MTI will be paid as follows:</p> <ul style="list-style-type: none"> <li>• one-third of the MTI Outcome delivered via a cash payment in December 2022; and</li> <li>• two-thirds of the MTI Outcome delivered in Security Rights granted in December 2022 under the Plan at the discretion of the Board.</li> </ul>
<b>MTI opportunity</b>	<p>The Executive Directors have an MTI opportunity of between 0% and 100% of their TFR.</p> <p>The Board determines the number of MTI Security Rights to be awarded to the Executive Directors by dividing the MTI Outcome by the Allocation Value of the MTI Security Rights. The Allocation Value will be determined using a conventional BSM.</p>
<b>Gateway vesting conditions</b>	<p>MTI Security Rights will vest subject to the satisfaction of the following 'gateway' conditions:</p> <ul style="list-style-type: none"> <li>• no serious regulatory breaches, infringements or compliance issues having occurred in relation to the Liberty Group as assessed by the Risk, Audit and Compliance Committee against consequence framework;</li> <li>• achievement of a minimum diversity measures of Group Managers, Leaders and all staff of the Liberty Group as determined by the Board; and</li> <li>• the continued employment of the relevant Executive Director.</li> </ul>
<b>Risk adjustment</b>	<p>The Board maintains discretion prior to the awarding or releasing of MTI Security Rights for adverse, material or significantly negative outcomes of the Liberty Group attributable to:</p> <ul style="list-style-type: none"> <li>• risk management;</li> <li>• regulatory compliance;</li> <li>• customer outcomes; or</li> <li>• financial misstatement.</li> </ul>
<b>Security right vehicle</b>	<p>MTI Security Rights granted will have a nil exercise price (i.e., zero-exercise price option). Each MTI Security Right entitles the holder to one fully paid Security in LFG.</p> <p>Unexercised MTI Security Rights expire on the earlier of:</p> <ul style="list-style-type: none"> <li>• the 15th anniversary of the date of grant; and</li> <li>• if a participant ceases employment with the Liberty Group, the second anniversary of the date of cessation (or such later date that the Board may determine).</li> </ul> <p>Once vested, an MTI Security Right may be exercised by the participant subject to the Liberty Group Securities Trading Policy.</p> <p>A vested MTI Security Right that has been exercised may be settled by way of an issue, allocation or transfer of a Security or by way of a cash payment (equal to the value of a Security that would have been issued, allocated or transferred had the MTI Security Right been settled with a Security).</p>



<b>Vesting dates</b>	The MTI Security Rights proposed to be issued to the Executive Directors will vest (subject to the above gateway conditions) in equal tranches in December 2023 and December 2024.
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<b>Cessation of employment</b>	<p>If a participant ceases to be employed with Liberty prior to their MTI Outcome being determined, they will not be entitled to receive any value in respect of their MTI opportunity unless the Board determines otherwise.</p> <p>If a participant ceases to be employed with Liberty while they hold MTI Security Rights, unless the Board determines otherwise, all of their unvested MTI Security Rights will be forfeited, and they will be entitled to retain all of their vested but unexercised MTI Security Rights.</p>
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## 6.4. Key terms of the LTI

<b>Performance period</b>	1 July 2021 to 30 June 2025.
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<b>Delivery</b>	<p>The LTI Outcome is allocated in Security Rights granted under the Plan at the discretion of the Board.</p> <p>The LTI Security Rights will be issued to the Executive Directors following the Meeting, subject to Securityholder approval being granted.</p>
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<b>LTI opportunity</b>	<p>The Executive Directors have an LTI opportunity of between 0% and 125% of TFR.</p> <p>The Board determines the number of LTI Security Rights to be awarded to the Executive Directors by dividing the maximum LTI Outcome by the Allocation Value of the LTI Security Rights. The Allocation Value will be determined using a conventional BSM.</p>
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<b>How is performance assessed?</b>	<p>At the end of the performance period, the Board assess the performance of the Liberty Group against the LTI KPIs and determines the number of LTI Security Rights that will vest.</p> <p>No retesting is available. LTI Security Rights are only tested once at the end of the performance period.</p>
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<b>Vesting date</b>	Any LTI Security Rights that vest will do so in three equal tranches in December 2025 (subject to performance adjustment), December 2026 and December 2027.
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<b>Gateway vesting conditions</b>	<p>LTI Security Rights will vest subject to the satisfaction of the following 'gateway' conditions:</p> <ul style="list-style-type: none"> <li>• no serious regulatory breaches, infringements or compliance issues having occurred in relation to the Liberty Group as assessed by the Risk, Audit and Compliance Committee against consequence framework;</li> <li>• achievement of a minimum diversity measures of Group Managers, Leaders and all staff of the Liberty Group as determined by the Remuneration and Nomination Committee; and</li> <li>• the continued employment of the relevant Executive Director.</li> </ul>
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**Risk adjustment** The Board maintains discretion prior to the awarding or releasing of MTI Security Rights for adverse, material or significantly negative outcomes of the Liberty Group attributable to:

- risk management;
- regulatory compliance;
- customer outcomes; or
- financial misstatement.

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**Security right vehicle** LTI Security Rights have an exercise price equal to the Security price at the grant date. Each LTI Security Right entitles the holder to one fully paid Security in LFG, subject to payment of the exercise price.

Unexercised LTI Security Rights expire on the earlier of:

- the 15th anniversary of the date of grant; and
- if a participant ceases employment with the Liberty Group, the second anniversary of the date of cessation (or such later date that the Board may determine).

Once vested, an LTI Security Right may be exercised by the participant subject to the Liberty Group Securities Trading Policy.

A vested LTI Security Right that has been exercised may be settled by way of an issue, allocation or transfer of a Security or by way of a cash payment (equal to the value of a Security that would have been issued, allocated or transferred had the LTI Security Right been settled with a Security).

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**Cessation of employment** If a participant ceases to be employed with Liberty prior to their LTI Outcome being determined, they will not be entitled to receive any value in respect of their LTI variable remuneration opportunity unless the Board determines otherwise.

If a participant ceases to be employed with Liberty while they hold LTI Security Rights, unless the Board determines otherwise, all of their unvested LTI Security Rights will be forfeited, and they will be entitled to retain all of their vested but unexercised LTI Security Rights.

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## 6.5. Reasonable remuneration under the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless a relevant exception applies.

A “financial benefit” is defined in the Corporations Act in broad terms and includes the grant of equity incentives by a public company.

Under the Corporations Act, a director of a company is a related party of that company. As both of the Executive Directors are eligible recipients under the Plan and Directors, MTI Security Rights and LTI Security Rights granted to the Executive Directors (and/or their nominee(s)) will constitute a financial benefit being given by the Company to a related party.

Section 211 of the Corporations Act provides an exception to the prohibition in section 208 of the Corporations Act where the financial benefit is remuneration given to a related party as an officer of the company and to give the remuneration would be reasonable given the circumstances of the company and the related party’s circumstances (including the responsibilities involved in the office or employment) (**Reasonable Remuneration Exemption**).

It is the view of the Directors that the proposed grants of MTI Security Rights and LTI Security Rights to:

- (a) Mr James Boyle (and/or his nominee(s)) as contemplated in Items 4 and 6; and
- (b) Mr Sherman Ma (and/or his nominee(s)) as contemplated in Items 5 and 7,

fall within the Reasonable Remuneration Exemption given the circumstances of the Company and the positions held by Mr James Boyle and Mr Sherman Ma respectively.

Accordingly, the Directors have determined not to seek Securityholder approval for the purposes of section 208 of the Corporations Act for the grant of MTI Security Rights or LTI Security Rights contemplated by Items 4, 5, 6 and 7.

## Recommendation

The Board (other than the Executive Directors given their interests in the outcome of Items 4 to 7) recommends that you vote in favour of these Resolutions.

## 7. Approval of amendments to the Company Constitution (Item 8)

A copy of the existing Company Constitution and Trust Constitution is available online at [www.lfgroup.com.au/about-us/corporate-governance](http://www.lfgroup.com.au/about-us/corporate-governance). A marked up version of the proposed Company Constitution is available online at [www.lfgroup.com.au/reports/aggm](http://www.lfgroup.com.au/reports/aggm).

This Resolution is a special resolution and requires support from 75% of the votes cast.

The proposed amendments to the Company Constitution are set out in Appendix A, with a summary of those changes set out below.

### 7.1. Summary of proposed changes

#### Virtual meetings of members

Proposed amendments to clauses 18 and 19 of the Company Constitution, subject to the Corporations Act, the Liberty Group may hold a wholly virtual general meeting. These amendments will clarify that a general meeting may be held using virtual meeting technology only and that the Board will have the ability to approve appropriate technology.

The Directors consider that having the flexibility to hold meetings as hybrid or virtual meetings will improve investor engagement and facilitate continued investor engagement during circumstances where restrictions may prohibit investors from attending meetings in person.

The Corporations Act and the existing Company and Trust Constitutions require that members as a whole be given a reasonable opportunity to participate in a general meeting, and the proposed amendments in relation to the use of technology do not change this requirement.

The Trust Constitution already permits virtual meetings and therefore no amendment is required.

#### Recommendation

The Board recommends that you vote in favour of this Resolution.



# Glossary

<b>AEDT</b>	means Australian Eastern Daylight Time
<b>Allocation Value</b>	means the value of the MTI Security Rights and the LTI Security Rights calculated in accordance with the BSM as set out in 4.1 and 5.1 of the Explanatory Statement
<b>Annual Report</b>	means the Directors' Report, the Financial Report and Auditor's Report, in respect of the year ended 30 June 2022
<b>ASX</b>	means ASX Limited (ACN 008 624 691) or the securities market which it operates, as the context requires
<b>Auditor's Report</b>	means the auditor's report contained in the Annual Report
<b>Board</b>	means the board of Directors of the Company or the Responsible Entity, or both as the context requires
<b>B Corp</b>	means a certified B Corporation that is a business, independently assessed and verified, that achieves a high standard of environmental, social and corporate governance performance
<b>BSM</b>	means Black Scholes Model
<b>Chair</b>	means the chairperson of the Meeting
<b>Closely Related Party of a member of the KMP means:</b>	<ul style="list-style-type: none"> <li>a) a spouse or child of the member;</li> <li>b) a child of the member's spouse;</li> <li>c) a dependent of the member or the member's spouse;</li> <li>d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;</li> <li>e) a company the member controls; or</li> <li>f) a person prescribed by the <i>Corporations Regulations 2001 (Cth)</i></li> </ul>
<b>Company</b>	means Liberty Financial Group Limited (ACN 125 611 574)
<b>Company Constitution</b>	means the constitution of the Company
<b>Corporations Act</b>	means the <i>Corporations Act 2001 (Cth)</i>
<b>Director</b>	means a director of the Company or the Responsible Entity
<b>Directors' Report</b>	means the directors' report contained in the Annual Report
<b>Executive Directors</b>	means Mr Sherman Ma and Mr James Boyle
<b>Explanatory Statement</b>	means this explanatory statement which forms part of the Notice
<b>Financial Report</b>	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities
<b>Group Managers</b>	means staff with the title or position description "Group Manager"





<b>IPO</b>	means the initial public offering of Securities
<b>Key Management Personnel or KMP</b>	means those persons described as Key Management Personnel in the Remuneration Report and includes all Directors (whether executive or otherwise)
<b>KPI</b>	means key performance indicator
<b>Leaders</b>	means staff with the title “Team Leader” or “Team Coach”
<b>Liberty Group</b>	means the stapled entity comprised of the Company and the Trust
<b>Listing Rules</b>	means the ASX listing rules
<b>LTI</b>	means long term incentive, in the context of the Plan
<b>Meeting</b>	means the annual general meeting of the Company and the concurrent general meeting of unitholders of the Trust on 9 November 2022
<b>MTI</b>	means medium term incentive, in the context of the Plan
<b>Notice</b>	means the Notice of Meeting which accompanies this Explanatory Statement
<b>NPATA</b>	means net profit after tax and amortisation on an underlying basis
<b>NPS</b>	means net promoter score
<b>Plan</b>	means the Liberty Group Equity Incentive Plan
<b>Proud Team</b>	means the percentage of team members that agree they are proud to work for the Liberty Group in a quarterly team survey
<b>Proxy Form</b>	means the proxy form attached to the Notice
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors’ Report
<b>Responsible Entity</b>	means Liberty Fiduciary Ltd (ACN 119 884 623)
<b>Resolution</b>	means a resolution proposed pursuant to the Notice
<b>Security</b>	means a stapled security in the Liberty Group comprising one share in the Company and one unit in the Trust
<b>Security Right</b>	means a right to a Security
<b>Securityholder</b>	means a holder of a share in the Company and a unit in the Trust which are stapled together
<b>Specialty Share</b>	means non-prime business as reported to the Board each month
<b>TFR</b>	means total fixed remuneration
<b>Trust</b>	means Liberty Financial Group Trust (ARSN 644 813 847)
<b>Trust Constitution</b>	means the constitution of the Trust

# Appendix A – Proposed Amendments to the Company Constitution

## Insert a new clause 18.2A to the Company Constitution

18.2A(1) Subject to applicable law:

- (a) a general meeting of the Company may be held using any virtual technology approved by the Board which gives the Members, as a whole, a reasonable opportunity to participate; and
- (b) a meeting conducted using such technology may be held at two or more places or not held at any specified venue, and participation at such a meeting will constitute presence as if in person at such a meeting.

18.2A(2) If, before or during a general meeting, any technical difficulty occurs, such that the Members as a whole do not have a reasonable opportunity to participate, the chair of the general meeting may:

- (a) adjourn the meeting until the technical difficulty is remedied; or
- (b) where a quorum remains present (either at the place at which the chair is present or by technology as contemplated by this clause 18.2A and able to participate, subject to the Act, continue the meeting.

## Amendment to clause 18.6(a) of the Company Constitution

### Contents of notice of general meeting

18.6 Every notice convening a general meeting must include or be accompanied by all information required by the Act and the Listing Rules and must at least:

- (a) set out the place, the day and time for the meeting (and, if the meeting is to be held in two or more places, or not held at any specified venue, the technology that will be used to facilitate the holding of the meeting in that manner);

## Amendment to clause 19.1 of the Company Constitution

### Member deemed to be present

19.1 A Member may attend a general meeting at which it is entitled to be present, and is deemed to be present, in any of the following ways:

- (a) in person;
- (b) by attorney;
- (c) by proxy; and
- (d) in the case of a Member which is a body corporate, by a representative appointed under section 250D of the Act, and all persons participating in a general meeting held in accordance with clause 18.2A are taken for all purposes to be present in person at the meeting.



## Appendix B – Summary of the Material Terms of the Plan

<b>Types of securities</b>	<p>The Plan provides the flexibility for the Company to grant Security Right to eligible participants.</p> <p>A Security Right is an entitlement to receive a security upon satisfaction of the applicable vesting and exercise conditions, the exercise of the Security Right and the payment of an exercise price (if applicable).</p>
<b>Eligibility</b>	<p>Security Rights may be granted under the Plan to eligible participants from time to time in the absolute discretion of the Company.</p> <p>Eligible participants will include employees (including Executive Directors) as selected by the Company from time to time.</p> <p>If permitted by the Company, participants will be able to nominate a third party to be issued the Security Rights on their behalf.</p>
<b>Issue price of security rights</b>	<p>No payment is required for the grant of Security Rights unless the Company determines otherwise.</p>
<b>Terms and conditions</b>	<p>The Company has the absolute discretion to determine the terms and conditions (including in relation to vesting, exercise, forfeiture, disposal and pricing) on which it will make offers under the Plan and it may set different terms and conditions for different participants in the Plan.</p>
<b>Vesting and exercise of security rights</b>	<p>Security Rights will vest if and to the extent that any applicable performance, service and other vesting conditions specified at the time of the grant (collectively the “<b>Vesting Conditions</b>”) are satisfied or waived and the Company has given the participant a vesting notice.</p> <p>Vested Security Rights will be exercisable if and to the extent that any applicable exercise conditions specified at the time of the grant (collectively the “<b>Exercise Conditions</b>”) are satisfied or waived and the Company has given the participant a confirmation notice. If no Exercise Conditions apply to a grant of Security Rights, a vesting notice will be deemed to also be a confirmation notice.</p>
<b>Exercise price</b>	<p>As a condition of the grant of the Security Rights, the Company may require a participant to pay an exercise price to exercise those Security Rights.</p>
<b>Issue, allocation or acquisition of securities</b>	<p>Subject to applicable laws, Securities to be delivered to participants upon the exercise of vested Security Rights may be issued by the Company, acquired on or off market and transferred, and/or allocated within an employee securities trust.</p> <p>The Company may, but is not obliged to, limit the manner in which it delivers Securities to a participant that has exercised a Security Right. For example, to obtain the benefit of ASX Listing Rule 10.16(b), the Company may limit itself to only sourcing Securities from on-market to fulfil particular vested Security Rights.</p>
<b>Equity or cash settlement</b>	<p>The Plan has the flexibility for Security Rights to be settled in either Securities or cash as determined by the Company.</p>

<b>Expiry date</b>	Security Rights will be issued with an expiry date. If no date is specified, the expiry date will be the business day prior to the 15-year anniversary of the date of grant.
<b>Restrictions on dealing of security rights</b>	<p>Subject to applicable laws and the ASX Listing Rules, Security Rights may not be sold, transferred, encumbered, hedged or otherwise dealt with other than in accordance with the rules of the Plan and the relevant invitation.</p> <p>Participants may not enter into any arrangement which hedges or otherwise affects the participant's economic exposure to the Security Rights granted to them.</p>
<b>Lapse/forfeiture of security rights</b>	<p>The Plan contains provisions which set out the treatment of Security Rights and any Securities issued, allocated or transferred following the exercise of Security Rights, including in the event that:</p> <ul style="list-style-type: none"> <li>• the participant ceases employment;</li> <li>• the Vesting Conditions or Exercise Conditions attaching to the relevant Security Rights are not satisfied or the Company Board forms the view they cannot be satisfied;</li> <li>• a participant acts fraudulently or dishonestly, or wilfully breaches the obligations that they owe to Liberty;</li> <li>• a participant becomes insolvent;</li> <li>• a participant breaches (without remedy) the obligation that are owed to the Liberty Group in respect of the Plan;</li> <li>• a participant's nominated affiliate has undergone a change of control without the prior written consent of the Company Board; and</li> <li>• the Security Rights are not exercised before the applicable expiry date.</li> </ul> <p>The Plan also contains provisions which provide the Company with the ability to reduce Security Rights and/or impose claw-back in the following circumstances:</p> <ul style="list-style-type: none"> <li>• if the participant joins a competitor; and</li> <li>• in the event of fraudulent or dishonest actions to ensure that no benefit is obtained by the participant.</li> </ul>
<b>Change of control impact on Security Rights</b>	If a change of control event in relation to the Company or the Trust occurs (or if the Company resolves for the purpose of the Plan that a change of control event will occur), the Company will have the absolute discretion to determine the manner in which Security Rights (whether vested or unvested) will be dealt with.
<b>Employee securities trust</b>	The Company may establish and operate an employee securities trust to assist with operation of the Plan, including facilitating the provision of Securities to participants when Security Rights are exercised, the sale of Securities on behalf of a participant and remission of the proceeds of sale to the participant, and the retention of unvested or forfeited Securities if vesting conditions (if any) are not met.





 **Liberty**

