



Annual General Meeting 2017

AGM 2017

2 August 2017

Welcome

Steven Sargent
Chairman



Agenda



Chairman's Address



CEO's Address



Formal Business



Close



Refreshments

Chairman's Address



CEO's Address

Skander Malcolm

Chief Executive Officer and Managing Director



CEO's Address

First Impressions of OFX

Areas of Focus for FY2018 and Beyond

Progress in 2018



Formal Business

Item 1

“To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the year ended 31 March 2017”

Item 2

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 31 March 2017 be adopted.”

This is a non-binding advisory vote.

FY2017 Remuneration Snapshot

Total Fixed Remuneration (TFR)	Short Term Incentive (STI)	Long Term Incentive (LTI)
<ul style="list-style-type: none"> • 28-70% of Total Reward Remuneration (TRR). • TFR is set by reference to benchmark market information for comparable roles and individual performance. • Includes cash, non-financial benefits, and superannuation. 	<ul style="list-style-type: none"> • 15-43% of TRR. • 40% of target STI is based on non-financial key performance indicators (KPIs) and 60% of target STI is based on financial KPIs. • Paid in cash and shares. The STI paid in shares is deferred over a two-year period. • 90% earnings before tax (EBT) budget gateway. 	<ul style="list-style-type: none"> • 15%-30% of TRR. • Executive Share Plan (ESP) as approved by shareholders at the 2016 AGM. • Shares granted upfront pursuant to a company loan. • Vesting conditions linked to net operating income (NOI) and EPS at constant currency.

FY2017 Remuneration Outcomes

Remuneration Outcomes

- No pay rises for KMP.
- No STI awarded to KMP as the 90% of target EBT budget gateway was not met.
- No increase in fees paid to Non-Executive Directors.
- Opportunity to evolve OFX's approach to KMP and Executive remuneration to be more meaningful, transparent and simpler while also driving greater alignment to shareholder value creation.
- In FY2018, the Board will undertake a comprehensive review of OFX's existing remuneration framework.

Votes on Item 2

VOTES		
For*	112,202,756	97.29%
Against	2,482,379	2.15%
Open – usable votes	645,862	0.56%
Total Votes	115,330,997	
Abstain	1,051,233	

Figures relate to proxy votes lodged up to 2:00pm AEST on 31 July 2017. * Votes in favour consist of direct and open proxies to the Chairman.

Item 3

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

“That Mr Grant Murdoch, being a Director who is retiring by rotation and standing for re-election in accordance with Article 47(b) of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

Grant Murdoch



Grant Murdoch

Non-Executive Director – MCom (Hons), FAICD, FICAA.
Chair of the Audit, Risk and Compliance Committee

Grant joined OFX Group Limited in September 2013 and has over 35 years' experience in accounting and corporate finance. Grant's prior professional experience includes Head of Corporate Finance for Ernst & Young Queensland, and he is a graduate of the Kellogg Advanced Executive Program at the North Western University, Chicago, United States

Current directorships

Director: ALS Limited; QIC Limited; Redbubble Limited; UQ Holdings Limited

Other: Senator of the University of Queensland; Adjunct Professor School of Business Economics and Law at the University of Queensland; member of Queensland State Council of Australian Institute of Company Directors

Votes on Item 3

VOTES		
For*	108,660,311	98.06%
Against	1,495,904	1.35%
Open – usable votes	654,862	0.59%
Total Votes	110,811,077	
Abstain	5,577,903	

Figures relate to proxy votes lodged up to 2:00pm AEST on 31 July 2017. * Votes in favour consist of direct and open proxies to the Chairman.

Item 4

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

“That Mr Steven Sargent, who having been appointed as a Director of the Company on 4 August 2016 in accordance with Article 46 (b) of the Company’s Constitution, and being eligible for election, be elected as a Director of the Company.”

Steven Sargent



Steven Sargent

Non-Executive Director and Chairman – BBus, FAICD, FAATSE
Member of the Audit, Risk and Compliance Committee and Remuneration and Nomination Committee

Steven joined OFX Group Limited in August 2016 and has over 36 years of global corporate experience in industries including banking, financial services, mining and energy. Steven's prior professional experience includes 14 years at Westpac, followed by various positions at GE Capital, including President and CEO GE Capital Australia and NZ, and President and CEO GE Capital Asia Pacific. Steven was appointed Vice President and Officer of General Electric Company in 2008 and was a member of GE's Corporate Executive Council, the first Australian to ever be appointed to such positions in GE's history.

Current directorships

Director: Origin Energy Limited; Nanosonics Limited;
The Great Barrier Reef Foundation; Chair of the Origin Foundation

Other: Fellow of the Australian Academy of Technological Sciences and Engineering and a Fellow of the Australian Institute of Company Directors

Votes on Item 4

VOTES		
For*	114,884,039	99.12%
Against	366,238	0.31%
Open – usable votes	660,988	0.57%
Total Votes	115,911,265	
Abstain	477,715	

Figures relate to proxy votes lodged up to 2:00pm AEST on 31 July 2017. * Votes in favour consist of direct and open proxies to the Chairman.

Item 5

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for:

- (a) the issue and allotment to Mr John Alexander Malcolm of ordinary shares under the OFX Group Limited Executive Share Plan (Executive Share Plan) as described in the Explanatory Memorandum;
and
- (b) the provision of a loan to Mr John Alexander Malcolm to assist him to acquire the shares under the Executive Share Plan as described in the Explanatory Memorandum.”

Proposed issue of Shares to CEO – “One-off Single Grant”

- **Shareholder approval is being sought in accordance with ASX Listing Rule 10.14 for the one-off issue for FY2017 of a single LTI grant to Mr Malcolm at 150% of his fixed remuneration and provision of a loan to assist him to acquire shares.**
- As disclosed on 5 June 2017, Mr Malcolm’s employment contract, which previously provided for the issue under the ESP of a One-off Triple Grant in 2017 equal to \$1,800,000 vesting over 3, 4, and 5 year performance periods, has been amended.
- Mr Malcolm will now be offered a single LTI grant for FY2017 at 150% of his fixed remuneration, providing him the opportunity to earn up to \$975,000, vesting over a 3 year performance period.
- The Board intends to review Mr Malcolm’s LTI opportunity as part of the broader remuneration review during FY2018.

Vesting Conditions for CEO's One-off Single Grant

Tranche	Vesting Condition	Threshold Measure	Target Measure	Stretch Measure
Tranche A (50%)	EPS CAGR over 3 year performance period	12.5%	15%	17.5%
Tranche B (50%)	NOI CAGR over 3 year performance period	10%	12.5%	15%

EPS CAGR and NOI CAGR	% of Shares that vest
Below Threshold	Nil
Threshold	25%
Between Threshold and Target	25-50%, on a straight line sliding scale
Target	50%
Between Target and Stretch	50-100%, on a straight line sliding scale
Stretch and Above	100%

Votes on Item 5

VOTES		
For*	107,396,115	92.92%
Against	7,618,370	6.58%
Open – usable votes	580,862	0.50%
Total Votes	115,595,347	
Abstain	834,533	

Figures relate to proxy votes lodged up to 2:00pm AEST on 31 July 2017. * Votes in favour consist of direct and open proxies to the Chairman.

Questions

 Thank you



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