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PENDAL
GROUP

16 March 2021

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Pendal Group Limited : CEO Succession

An announcement relating to Pendal Group CEO Succession is attached for release.

Yours sincerely



Authorising Officer

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ASX Announcement

Pendal Group CEO Succession

Sydney, Australia, 16 March 2021 - Pendal Group (ASX: PDL or Pendal) today announced that Group CEO, Mr Emilio Gonzalez, will step down after 11 years in the role, and that Mr Nicholas Good, currently CEO of the J O Hambro Capital Management (JOHCM) operations in the USA, will be Mr Gonzalez's successor.

The Chairman of Pendal Group, Mr James Evans, said, "The Board sincerely thanks Emilio for his contribution, constancy, and commitment for over a decade and recognises his significant achievements, particularly the successful acquisition of JOHCM in 2011 that transformed the company into a global funds management business.

"Our robust succession plan has enabled the Board to appoint Nick as the new Group Chief Executive Officer of Pendal Group.

"Nick is a global leader in the funds management industry with a strong track record of building and growing businesses. He is an impressive strategist and has an inspiring leadership style.

"Importantly, the biggest future potential for the Group is in the USA. With Nick on the ground there, and with the support of the talented Global Executive Team, including the regional CEOs, Pendal Group will be well-positioned and equipped as it transforms its business to take advantage of future growth opportunities."

Mr Gonzalez has a six-month notice period and is committed to ensuring a smooth transition.

Mr Evans said, "Under Emilio's leadership the business underwent a step-change in funds under management, scale, distribution, product offerings to clients, and importantly, shareholder returns.

"Since Emilio's appointment in January 2010, Total Shareholder Return (TSR) has been 322.9 per cent, compared to the 130.1 per cent return of the Standard and Poor's ASX200 Accumulation Index over the same period.

"Emilio truly diversified the business across geographies, asset classes, and channels. He successfully oversaw the gradual sell-down of Westpac's ownership and a broadening of the share register, a change in brand to Pendal that represents our heritage and navigated the business through the global credit crisis and the current global COVID-19 pandemic.

"Emilio will leave Pendal with acknowledgement and thanks for a job very well done and our best wishes for the future."

Mr Gonzalez said, "With the multi-year investment program announced in November 2020, it is timely and important that my successor has a clean run to drive this program. It will require a long-term commitment, and after 11 years as CEO, it is the right time for a new Group CEO to step in.

"It has been a privilege to lead the company and transform it from a domestic equity fund manager, with \$41.9 billion under management, to a diversified global fund manager with \$97.4 billion in FUM.

"I would like to thank all of my colleagues at Pendal Group who I have worked with over the years. It has been a team effort and I leave knowing the business is in a strong financial position and well placed for the future."

Mr Good commented, "I would like to acknowledge the outstanding contribution of Emilio to the Pental Group. It has been a privilege and pleasure to work with him, and I am honoured and excited to have the opportunity to lead this great company.

"Pental is recognised for its talent, diversified business model and strategic global footprint. It has long-tenured, highly regarded fund managers and has consistently delivered long-term outperformance. I am confident that there is a very bright future ahead as we position to take advantage of the fast-paced changes, and inherent opportunities, in global funds management."

Mr Good will remain based in Boston, USA.

ENDS

Attachments:
Biographical Notes
Summary of terms of employment agreement

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Biographical notes

Mr Good joined Pandal Group as Chief Executive Officer, JOHCM USA in December 2019. He has over 24 years' global asset management and management consulting experience across the USA and Asia.

Before joining Pandal, Mr Good was Executive Vice President, Chief Growth and Strategy Officer at State Street Corporation. In this role, Mr Good was responsible for developing long-term business growth and new sources of earnings for State Street, including business partnerships, innovation, business strategy and M&A activities.

Prior to this role, Mr Good spent two years as Co-Head of State Street Global Advisor (SSGA)'s Global SPDR Business, with primary responsibility for SPDR Exchange Traded Funds (ETFs) in the North America and Latin America regions. During his tenure, US SPDR revenue grew from \$359M in 2015 to \$491M in 2017. Mr Good also championed a number of significant initiatives and client wins, most notably the launch of the SPDR Portfolio Series, SSGA's ultra-low-cost ETFs, which raised over \$20B in its first year after launch. Mr Good was a member of the SSGA's Executive Management Group.

Mr Good initially joined SSGA in 2014 as Chief Operating Officer of the US Intermediary Business Group. He had a wide range of responsibilities for SPDR ETFs in the Americas including strategic client relationships, investment and market outlooks, sales support and Latin America.

Prior to joining State Street, Mr Good spent eight years with BlackRock / Barclays Global Investors (BGI), primarily as CEO of iShares, Asia Pacific based in Hong Kong. He was responsible for sales and distribution of global iShares ETFs to Asian and Australian clients and management of all iShares ETFs listed in the Asia-Pacific region. During his tenure, iShares Asia-Pacific grew from US\$20M to US\$170M in revenue, rising from #4 to #1 in the region. He championed the launch of iShares ETFs in Australia among many other initiatives.

Before joining BGI, Mr Good was a lead client manager at the Boston Consulting Group based in San Francisco focused primarily on Financial Services. He started his career with the Kalchas Group, a boutique strategic consultancy, in London and New York.

He previously served on the Security & Futures Commission Product Advisory Committee in Hong Kong, and on the Executive Committee of the Hong Kong Investment Funds Association.

Mr Good has been involved with the Nature Conservancy for many years, including currently serving on the California Leadership Council Blended Finance Working Group, and previously on the MarketLab Advisory Council, as well as providing advisory support to the Massachusetts and Hong Kong Chapters. He has also served on the Charterhouse School Hong Kong Board and Hong Kong Ministry of Transport Personal Vehicle Marks Committee. He enjoys hiking and skiing with his family in the White Mountains of New Hampshire.

Mr Good was born in Kenya and raised in the UK. He studied at the University of Oxford in the UK, attaining a Master of Arts Biochemistry and a Bachelor of Arts (Hons) Biochemistry.

Summary of main terms of employment agreement for Mr Nick Good

All \$ amounts are expressed in USD	
Term	The appointment has no fixed term. It is subject to termination provisions in the agreement, outlined below.
Remuneration	<p>Fixed Remuneration</p> <p>Consists of base salary of \$600,000 per annum less all applicable withholdings and deductions.</p> <p>Target Short Term Incentive (STI)</p> <p>Mr Good's annual target STI opportunity is \$950,000 with a STI floor of \$0 and a maximum of \$1,900,000 for performance which exceeds key performance indicators.</p> <p>The Board has the discretion to vary Mr Good's STI in accordance with key performance indicators which include Pental Group's financial performance and Mr Good's overall performance. Mr Good's STI will be assessed annually by the Board. The awarded STI will be delivered as 50 per cent cash, with the remaining 50 per cent deferred into restricted shares that vest over five years.</p> <p>Long Term Incentive (LTI) Grant</p> <p>Subject to receiving approval from shareholders, Mr Good will receive a LTI grant of \$750,000 consisting of Performance Share Rights (PSRs) to Pental Group shares. Mr Good's LTI is subject to two performance hurdles:</p> <ul style="list-style-type: none"> • 50 per cent of the PSRs will vest and become exercisable if Pental Group's total shareholder return (TSR) compared to the median TSR of companies in the ASX 200 index meets certain thresholds. • 50 per cent of the PSRs will vest and become exercisable if Pental Group's underlying earnings per share meets certain compound annual growth rate thresholds. <p>Mr Good's sign-on equity when he was appointed to his previous role as Chief Executive, JOHCM USA in 2019 and previous LTI grants will continue on foot. A previous LTI grant of 314,559 PSRs will be measured on 1 October 2021 and pro-rated for a two year term in accordance with the rules of the JOHCM Performance Reward Scheme.</p>
Termination with notice	Employment may be terminated on 6 months' notice by either party.
Termination for cause	Pental Group may immediately terminate Mr Good's employment for cause in a number of specified circumstances including gross misconduct and serious breach of his obligations or persistent failure to carry out his duties.
Post-employment restraints	Mr Good is subject to six month non-compete, six month non-solicit and 12-month non-poach post-employment restraints.