

Share Ownership and Retention Policy

McMillan Shakespeare Group of Companies



McMillanShakespeareGroup

Reviewed and adopted by the Board on 26 September 2017

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1. Purpose

McMillan Shakespeare Limited (MMS) is a public company listed on the Australian Securities Exchange (“ASX”).

This document sets out the policy of MMS and its related entities (“MMSG”) regarding compulsory ownership of MMS securities (“Shares”) by the MMSG Key Management Personnel (“KMP”).

The purpose of this policy is to assist in aligning the interests of MMSG’s KMP with the financial interests of MMS shareholders.

It is the policy of MMSG to comply with all laws and regulations which apply in each jurisdiction in which it operates. It is also the policy of MMSG that its staff must comply with all internal policies and procedures which apply to them.

2. Scope

This policy applies to the MMSG KMP as listed in the MMS Annual Report and who are referred to as either Executive KMP or Non-Executive Directors.

3. Shareholding Requirements

Individuals subject to Policy	Share Ownership Requirement	Timeframe to meet shareholding requirement
Executive KMP	50% of one year’s fixed remuneration	5 years
Non-Executive Directors	50% of one year’s director fees	

4. Timeframe for meeting shareholding requirements

The timeframe for meeting the shareholding requirements is the later of:

- 5 years from the date of this policy; or
- 5 years from commencement as an Executive KMP or as a Non-Executive Director.

5. Prohibition on disposal of retained Shares

- Except as permitted by this clause 5, a MMSG KMP must not dispose of any shares that they are required to hold under paragraph 3 for as long as they are subject to this policy.
- Subject to paragraph (c), a MMSG KMP may transfer any Share that they are required to retain under paragraph 3 to:
 - an “associated entity” or “close associate”, each as defined in the Corporations Act 2001 (Cth); or

- (ii) a trust or a superannuation fund for the benefit of a person or entity referred to in paragraph 5(b)(i).
- (c) A MMSG KMP may only transfer a Share under paragraph (b) if:
 - (i) they have first given notice in writing to the Chairman;
 - (ii) the Chairman has given notice that the transfer is approved; and
 - (iii) any such transfer also complies with the MMS Securities Trading Policy.

This paragraph applies equally to any Share held by a party to whom the MMSG KMP has transferred the Share in accordance with this paragraph (c).

6. Hardship

There may be circumstances where compliance with this policy would cause or contribute to severe financial hardship for a MMSG KMP or prevent compliance with an order of the Family Court or another court. The Chairman will review hardship applications on an individual basis.

7. Relationship to the Company's Securities Trading Policy

Executives must comply with the MMS Securities Trading Policy in addition to any requirements of this policy.

8. Review of Policy

This policy will be reviewed every two years after its adoption by the Board.