

# NOTICE OF 2015 ANNUAL GENERAL MEETING

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should consult immediately your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your shares in Man Group plc, please send this notice and the accompanying documents to the purchaser or transferee of your shares or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

# Chairman's letter



**Jon Aisbitt, Chairman**

## Dear Shareholder

**I am pleased to invite you to the Annual General Meeting (the 'AGM') of Man Group plc (the 'Company') to be held at Riverbank House, 2 Swan Lane, London EC4R 3AD on Friday 8 May 2015 at 10.00am. A summary and explanation of the business of the meeting starts on page 3 and the Notice of AGM, which contains the full wording of each resolution, starts on page 7.**

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### Venue and timing of meeting

Please note that this year's AGM will be held at Man Group's offices at Riverbank House, 2 Swan Lane, London EC4R 3AD. The meeting will start at 10.00am and tea and coffee will be served from 9.30am. No refreshments will be provided after the meeting.

### Formal resolutions

This year's meeting includes all the standard AGM business transacted every year. In addition, we are also seeking approval of a new Directors' remuneration policy. The new policy, together with an explanatory letter from Phillip Colebatch as Chairman of our Remuneration Committee are provided in Appendix 1.

### Business update

Before we consider the formal AGM resolutions, Manny Roman, our CEO, will give shareholders a short presentation on the progress of and outlook for the Company's business. This will be followed by the opportunity for shareholders to ask questions about business developments or performance, as well as to discuss any of the resolutions before the meeting.

### Shareholder questions

We recognise that not all shareholders are able to attend the AGM. If you are unable to come to the meeting but have any questions about the business to be considered, please email us at [agm@man.com](mailto:agm@man.com) or write to the Company Secretary and we will reply as soon as we can.

### Voting

Voting at the meeting will be conducted by poll as this delivers a fairer representation of shareholder views and has become best practice at large company AGMs. Further details of the poll procedure are given on the back cover.

If you are unable to attend the meeting, you may wish to send us your vote by completing and returning a Form of Proxy or by voting online via our Registrars' website at [www.sharevote.co.uk](http://www.sharevote.co.uk). Details of how to do this are set out on page 6.

### Attending the meeting

If you intend to come to the meeting, please complete the Attendance Card attached to the Form of Proxy and send it to our Registrars, Equiniti. This gives us an idea of how many shareholders we can expect. In addition, please bring the Admission Card (also attached to the Form of Proxy) with you, as this will speed up your registration and entry to the meeting. A map showing the location of the meeting venue can be found on the back cover.

### Voting recommendation

Your directors consider that the resolutions being proposed at the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of them, as the directors intend to do in respect of their own beneficial holdings.

**Jon Aisbitt**  
Chairman  
25 March 2015

# Summary and explanation of resolutions

## 1. Receipt of the Directors' and Auditors' reports and the financial statements for the year ended 31 December 2014

The Board asks that shareholders receive the above mentioned reports and financial statements which are set out on pages 65 to 117 of the Annual Report for the year ended 31 December 2014.

## 2. Approval of the Directors' remuneration policy

Resolution 2 seeks shareholder approval of a new Directors' remuneration policy (the 'Policy'), which is set out in full in Appendix 1, together with an explanatory letter from the Remuneration Committee Chairman. If approved by shareholders, the new Policy will be effective from the date of the AGM and will remain valid for up to three financial years without requiring further shareholder approval. Subject to approval of the Policy, all payments to directors will need to be made in accordance with the Policy or be approved by a separate shareholder vote.

## 3. Approval of the Directors' remuneration report for the year ended 31 December 2014

Resolution 3 seeks shareholder approval of the Directors' remuneration report which is set out on pages 44 to 60 of the Annual Report. The report provides details of the remuneration arrangements for and payments made to the directors in respect of 2014, which are in accordance with the Directors' remuneration policy approved by shareholders at the 2014 AGM. This vote is advisory and will not affect the way in which the remuneration arrangements have been implemented.

## 4. Declaration of a final dividend for the year ended 31 December 2014

The directors recommend a final dividend of 3.95 pence per ordinary share giving a total dividend of 6.32 pence per ordinary share for the year. If approved, the dividend will be paid on 15 May 2015 to shareholders on the register of members at the close of business on 24 April 2015.

## 5-13. Reappointment of directors

Under the Company's articles of association, any director appointed by the Board since the last AGM is required to be reappointed by shareholders at the next AGM. Accordingly, it is proposed that John Cryan, who was appointed to the Board in January 2015, be reappointed by shareholders under Resolution 7. In addition, in accordance with the provisions of the UK Corporate Governance Code, all of the other directors will retire at this year's AGM and will submit themselves for reappointment under Resolutions 5-6 and 8-13.

The evaluation of individual directors' contributions carried out in 2014 confirmed that all of the directors continue to make a valuable contribution to the Board and demonstrate substantial commitment to their roles. John Cryan was appointed in January 2015 and was, therefore, not subject to evaluation in 2014. Further information about the evaluation process and the Board's collective achievements during the year are given in the Corporate governance report contained within the 2014 Annual Report starting on page 32. Brief biographies and details of areas of expertise and contribution for each of the directors seeking reappointment are given below.

## 5. Jon Aisbitt, Chairman

Jon Aisbitt was appointed to the Board as a non-executive director in August 2003 and was appointed non-executive Chairman in September 2007. He is Chairman of the Nomination Committee and a member of the Remuneration Committee. Jon has over 20 years' experience in international corporate finance and was previously a Partner and Managing Director in the Investment Banking Division of Goldman Sachs. He has significant technical knowledge of capital markets and the complex regulatory backdrop in which they operate. Since being appointed as Chairman of Man Group, Jon has navigated the Company and the Board through significant change and has encouraged the development of the Group's strategy through the introduction of new and diversified investment styles.

## 6. Phillip Colebatch, Senior Independent Director

Phillip Colebatch was appointed to the Board as a non-executive director in September 2007 and is Chairman of the Remuneration Committee and a member of the Audit and Risk Committee and the Nomination Committee. Phillip has substantial financial, operational and markets experience gained through a number of senior positions in investment banking and insurance including his roles as a member of the Executive Boards of Credit Suisse Group and Swiss Reinsurance Company. His focus on investor engagement through his role as Senior Independent Director and Chairman of the Remuneration Committee has provided context to Board decisions, specifically in relation to remuneration policy and practice.

## 7. John Cryan, Non-executive Director

John Cryan was appointed to the Board as a non-executive director in January 2015 and is a member of the Remuneration Committee and the Nomination Committee. John has extensive knowledge of international financial markets gained from experience at leading global financial institutions. He previously held a number of senior roles at UBS AG over a career spanning more than 25 years with the banking group. Following this, he served as President of Temasek International's European operations. John is currently a member of the supervisory board of Deutsche Bank AG, Chairman of its Audit Committee and a member of its Risk Committee. John brings significant knowledge of the regulatory environment in which Man Group operates.

## 8. Andrew Horton, Non-executive Director

Andrew Horton was appointed to the Board as a non-executive director in August 2013 and is a member of the Audit and Risk Committee and the Nomination Committee. Andrew has over 25 years of broad financial services, risk management and operational experience with significant exposure to operating at Board level. He held various finance positions within ING, NatWest and Lloyds Bank prior to his appointment as Group Finance Director of Beazley plc in 2003. He was appointed Chief Executive Officer of Beazley in September 2008. Given Andrew's banking, financial markets and insurance background, he is a valuable contributor to Man Group's strategic development, risk management and financial reporting. Andrew's international experience has also enabled him to provide valuable input into Man Group's increased international presence.

## Summary and explanation of resolutions continued

### 9. Matthew Lester, Non-executive Director

Matthew Lester was appointed to the Board as a non-executive director in May 2011 and is Chairman of the Audit and Risk Committee and a member of the Nomination Committee. Matthew is Chief Finance Officer of Royal Mail plc. Prior to this, he held a number of senior financial roles, including Group Finance Director of ICAP plc from 2006 to 2010 before which he was Group Financial Controller, Treasurer and Divisional Finance Director at Diageo plc. Matthew has substantial financial management and regulatory expertise. He also has significant listed plc experience acquired through his role at ICAP and through the flotation of Royal Mail plc on the London Stock Exchange. Matthew's experience, coupled with his role as Chairman of Man Group's Audit and Risk Committee, allows him to provide substantial insight in relation to the Group's financial reporting and risk management processes.

### 10. Emmanuel Roman, Chief Executive Officer

Emmanuel (Manny) Roman was appointed to the Board as an executive director in May 2011. He was appointed President of Man Group in August 2012 and Chief Executive Officer in February 2013. Manny joined Man Group as Chief Operating Officer in October 2010 following the acquisition of GLG. Before this, he was Co-Chief Executive Officer at GLG, prior to which he was Co-Head of Worldwide Global Securities and Co-Head of the European Securities Division at Goldman Sachs. Manny has a strong and varied investment management background and extensive trading, operational and business management experience. Since his appointment as CEO, Manny has led the Company in diversifying its product range and increasing its international presence through disciplined acquisitions. He has also overseen the restructure of the Company's cost base.

### 11. Dev Sanyal, Non-executive Director

Dev Sanyal was appointed to the Board as a non-executive director in December 2013 and is a member of the Audit and Risk Committee and the Nomination Committee. Dev has held a number of senior financial and line management positions within BP in a career spanning 25 years. He has extensive knowledge of capital markets, asset and risk management, trading and foreign exchange gained from his role as BP Group Treasurer and Chairman of BP Investment Management Ltd. He has also had broad international experience and wide ranging operational expertise in senior executive roles, and is, therefore, able to contribute to the development and execution of Man Group's business strategy and global relationships. He is currently Executive Vice President, Strategy and Regions at BP with responsibility for Europe, Asia, Group Strategy and Planning, Risk Management and Group Integration.

### 12. Nina Shapiro, Non-executive Director

Nina Shapiro was appointed to the Board as a non-executive director in October 2011 and is a member of the Remuneration Committee and the Nomination Committee. Nina has held several senior management and operating roles at the World Bank. From 2000-2011, Nina was a member of the Management Group and was Vice President, Finance, and Treasurer of the International Finance Corporation (the World Bank's private sector arm). With extensive experience in international financial markets and investment in Emerging Markets, Nina has particular insight into financial policy and market development. This perspective has helped to support Man Group in its international expansion.

### 13. Jonathan Sorrell, Chief Financial Officer

Jonathan Sorrell was appointed to the Board as Chief Financial Officer in June 2012. He joined Man Group in August 2011 as Head of Strategy and Corporate Finance. Prior to this he spent 13 years at Goldman Sachs in the Investment Management, Securities and Investment Banking Divisions, latterly leading investments in a broad range of hedge fund firms. Jonathan's experience of financial markets, particularly his extensive knowledge of the hedge fund industry and strong background in strategy and execution, has assisted in developing Man Group's strategy, including recent M&A activity that has expanded its footprint in the US. He has also brought clear focus on costs and financial efficiency through the delivery of challenging cost savings initiatives and the restructuring of Man Group's balance sheet.

### 14. Reappointment of Deloitte LLP as auditors

The Company's auditors are required to be appointed or reappointed at each general meeting at which year-end accounts are presented to shareholders. Accordingly, the Board is proposing the reappointment of Deloitte LLP as auditors of the Company to hold office from the conclusion of the AGM until the accounts for the next financial reporting period are presented to shareholders in a general meeting.

### 15. Authority for the Audit and Risk Committee of the Board to determine the auditors' remuneration

The remuneration of the auditors must be determined by shareholders in a general meeting in such a manner as they consider appropriate. It is proposed in Resolution 15 that shareholders authorise the Audit and Risk Committee of the Board to agree the auditors' remuneration as this committee is best placed to assess the work involved and decide an appropriate fee.

### 16-17 Directors' authorities to allot shares

#### 16. General authority to allot

Paragraph (a) of Resolution 16 seeks authority for the directors to allot ordinary shares up to a nominal amount of US\$19,920,796. Paragraph (b) of Resolution 16 seeks authority for the directors to allot ordinary shares up to a further nominal amount of US\$19,920,796 provided that these shares are allotted for cash only to existing shareholders pursuant to a rights issue.

The aggregate authority to allot shares sought under Resolution 16 is equivalent to approximately two-thirds of the issued ordinary share capital of the Company as at 24 March 2015 (being the latest practicable date prior to publication of this Notice). This authority will remain in force until the AGM in 2016 or, if earlier, the close of business on 30 June 2016.

The authority being sought renews the authority given to directors at last year's AGM and is in line with the Share Capital Management Guidelines issued by the Investment Management Association (now the Investment Association (IA)). The IA Guidelines state that, in addition to directors' requests for authorisation to allot new shares in an amount up to one-third of a company's existing issued ordinary share capital (as proposed in paragraph (a) of Resolution 16), the IA will regard as routine any requests to authorise the allotment of shares in an amount up to a further one-third (as proposed in paragraph (b) of Resolution 16), provided that any shares allotted in an amount exceeding one-third are used solely for a rights issue and that the authority is only valid until the next AGM.

The Board has no current plans to make use of the authority sought under Resolution 16, except in relation to the Group's share plans, and is requesting it only to ensure that the Company has the maximum permitted flexibility to manage its capital resources.

**17. Authority to allot shares for cash other than on a pro-rata basis to existing shareholders (special resolution)**

The effect of Resolution 17 is to renew the directors' existing authority to issue shares wholly for cash on a non pre-emptive basis, i.e. without first offering them to existing shareholders pro rata to their existing shareholding, up to an aggregate nominal amount of US\$2,988,119. This maximum limit represents approximately 5% of the issued ordinary share capital of the Company as at 24 March 2015 (being the latest practicable date prior to publication of this Notice). The authority will remain in force until the AGM in 2016 or, if earlier, the close of business on 30 June 2016. The renewal of this authority and the imposition of the 5% limit, which serves to protect existing shareholder interests, are in line with IA Guidelines.

The Board has no current plans to make use of this authority, except in relation to the Group's share plans, and is requesting it only to ensure that it maintains maximum flexibility in managing the Company's capital resources. The Board does not intend to issue more than 7.5% of the Company's issued ordinary share capital for cash on a non pre-emptive basis under this authority in any three-year period.

**18. Authority for the Company to purchase its own shares (special resolution)**

Resolution 18 renews an existing share purchase authority which was given to the Company last year. It enables the Company to purchase in the market up to a maximum of 261,283,961 ordinary shares (representing approximately 14.99% of the Company's issued ordinary share capital as at 24 March 2015, being the latest practicable date prior to publication of this Notice) at a minimum price of 3¾ US cents (or Sterling equivalent) per share and a maximum price, exclusive of expenses, of the higher of:

- (i) 105% of the average market value of an ordinary share for the five business days prior to the day of purchase; and
- (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for the last independent trade of and the highest current independent bid for the Company's ordinary shares on the London Stock Exchange.

The Board is proposing to increase the level of share purchase authority sought under this resolution from 10% (as sought at the 2014 AGM) to 14.99% of the Company's issued share capital as permitted under the UK Listing Authority's Listing Rules. The Board believes that this will provide the Company with additional flexibility to return available surplus capital to shareholders in line with Man Group's dividend policy (as set out on page 118 of the 2014 Annual Report). As announced at the time of the Company's 2014 year-end results, the Board has launched a \$175 million share repurchase programme which will be conducted over the remainder of the year. This is in line with the Company's dividend policy which provides for surplus capital generated from net performance fee earnings to be distributed to shareholders over time by way of higher dividends and/or share repurchases. The Board proposes to use the share purchase authority given to the Company last year and/or the authority sought under Resolution 18 to execute this share repurchase programme.

The Board would use the authority sought under Resolution 18 (whether pursuant to the announced share repurchase programme or otherwise) only if it were satisfied that to do so would be in the best interests of shareholders generally and would lead to an increase in the Company's earnings per share. Shares purchased under this authority would be cancelled or held as treasury shares to be sold at a later date or used to satisfy awards under the Group's share plans as the Board saw fit. If shares were held in treasury, the increase in earnings per share would only be effective until such time as the shares were sold or used for share awards. If treasury shares were used for share awards, such use would be within the limits on dilution contained in institutional shareholder guidelines. As at 24 March 2015, the Company did not hold any ordinary shares as treasury shares. The proposed authority would remain in force until the AGM in 2016 or, if earlier, the close of business on 30 June 2016.

As at 24 March 2015 (being the latest practicable date prior to publication of this Notice) the total number of ordinary shares that might be issued on the exercise of outstanding options was 25,111,255 which represented approximately 1.44% of the Company's issued share capital at that date. If the existing authority to purchase the Company's ordinary shares and the authority proposed to be granted under this resolution were exercised in full, these option awards would, assuming no further ordinary shares were issued after that date, represent 1.87% of the Company's issued ordinary share capital as at that date. This percentage would reduce to 1.69% if no purchases were made under the existing authority but the authority proposed to be granted under Resolution 18 were exercised in full.

**19. Authority to convene general meetings on 14 days' notice (special resolution)**

The Companies Act 2006 provides that the minimum notice period for general meetings is 21 clear days unless the Company:

- (i) has passed a special resolution in general meeting approving the holding of a general meeting on 14 clear days' notice; and
- (ii) offers the facility for all shareholders to vote by electronic means.

The directors wish to retain the flexibility to call general meetings on 14 clear days' notice and this resolution seeks to renew their existing authority to do this. The Company provides electronic proxy voting through CREST and through [www.sharevote.co.uk](http://www.sharevote.co.uk) for all shareholder meetings. The directors will not use the authority as routine and will ensure that it is used only if it is in the interests of shareholders to do so and where the flexibility is merited by the business of the meeting. It should be noted in this context that the directors did not use this authority for the shareholder meeting convened to approve the Numeric acquisition in September 2014 for which 21 clear days' notice was given. The proposed renewed authority would remain in force up to the date of the 2016 AGM.

# Notes to the Notice of Annual General Meeting

## 1. Appointment of proxies

A shareholder is entitled to appoint one or more proxies to exercise their right to attend, speak and vote at the meeting. A shareholder may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares. Such proxy or proxies need not be shareholders of the Company. Unless you have registered to receive shareholder documents via email alert, a Form of Proxy is enclosed. To appoint more than one proxy, please obtain the appropriate number of additional Forms from the Company's Registrars, Equiniti, or if you have received a paper Form of Proxy, photocopy the Form you have received.

## 2. Online proxy voting

Alternatively, a shareholder may register a proxy vote online via the Equiniti website [www.sharevote.co.uk](http://www.sharevote.co.uk) subject to the terms and conditions shown on the website. To do this you will need your voting ID, task ID and shareholder reference number shown on your Form of Proxy. Shareholders registered with [www.shareview.com](http://www.shareview.com) can log on and vote through that service.

## 3. Information rights

A person who is not a shareholder, but who has been nominated by a shareholder to enjoy information rights, does not have a right to appoint any proxies. A nominated person may have a right under an agreement with the relevant shareholder to be appointed as a proxy or to have somebody else appointed as a proxy for the meeting. If a nominated person does not have such a right, or has such a right and does not wish to exercise it, they may have a right under an agreement with the relevant shareholder to give instructions as to the exercise of voting rights.

## 4. Record date for voting

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and Section 360B of the Companies Act 2006, the Company specifies that only those shareholders on the shareholder register as at the close of business on 6 May 2015 or, if the AGM is adjourned, at close of business on the day two days prior to the adjourned meeting (excluding any day that is not a working day), shall be entitled to attend or vote at the AGM in respect of the number of ordinary shares registered in their name at that time. Changes to the register after the close of business on the relevant date shall be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting.

## 5. Return date for proxies

To be effective, the Form of Proxy, duly signed, or your online votes, must be sent to the Company's Registrars, Equiniti, and received no later than 10.00am on 6 May 2015. If you prefer, you may return the Form in an envelope to FREEPOST RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU. The completion and return of a Form of Proxy will not preclude shareholders entitled to attend and vote at the AGM from doing so in person if they so wish.

## 6. CREST proxy voting

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual which can be viewed at [www.euroclear.com](http://www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their

behalf. CREST messages must, in order to be valid, be transmitted so as to be received by the Company's agent, Equiniti, ID RA19, no later than 10.00am on 6 May 2015.

## 7. Voting by corporate representatives

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual shareholder, provided that multiple corporate representatives do not do so in relation to the same shares.

## 8. Shareholders' right to request website publication of audit concerns

Under Section 527 of the Companies Act 2006, the number of shareholders who meet the threshold requirements set out in that section have the right to request that the Company publishes on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes the consideration of any statement that the Company has been required to publish on a website under Section 527 of the Companies Act 2006.

## 9. Shareholders' right to ask questions

Shareholders have the right to ask questions at the meeting relating to the business of the AGM and the Company has an obligation to answer such questions unless they fall within any of the statutory exceptions.

## 10. Documents available for inspection

Copies of executive directors' service contracts and non-executive directors' letters of appointment will be available for inspection at the Company's registered office during normal business hours on any weekday from the date of this Notice until the conclusion of the AGM, and at the AGM venue from 15 minutes prior to the start of the meeting until its conclusion.

## 11. Total voting rights

At 24 March 2015 (being the latest practicable date prior to the publication of this Notice) the issued ordinary share capital of the Company with voting rights comprised 1,743,055,109 ordinary shares of 3½ US cents each carrying one vote. The total voting rights in the Company as at 24 March 2015 were, therefore, 1,743,055,109.

## 12. Copy of Notice available on website

A copy of the AGM Notice and other information required by Section 311A of the Companies Act 2006 can be found at [www.man.com](http://www.man.com). You may not use any electronic address provided in either this Notice of AGM or any other related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

# Notice of Annual General Meeting

**1. To receive the Directors' and Auditors' reports and the financial statements for the year ended 31 December 2014**

**2. To approve the Directors' remuneration policy set out in Appendix 1 to this Notice of Annual General Meeting, such policy to take effect from the date on which this Resolution is passed**

**3. To approve the Directors' remuneration report as set out on pages 44 to 60 of the Company's Annual Report for the year ended 31 December 2014**

**4. To declare a final dividend of 3.95 pence per ordinary share for the year ended 31 December 2014**

**5. To reappoint Jon Aisbitt as a director of the Company**

**6. To reappoint Phillip Colebatch as a director of the Company**

**7. To reappoint John Cryan as a director of the Company**

**8. To reappoint Andrew Horton as a director of the Company**

**9. To reappoint Matthew Lester as a director of the Company**

**10. To reappoint Emmanuel Roman as a director of the Company**

**11. To reappoint Dev Sanyal as a director of the Company**

**12. To reappoint Nina Shapiro as a director of the Company**

**13. To reappoint Jonathan Sorrell as a director of the Company**

**14. To reappoint Deloitte LLP as auditors of the Company to hold office from the conclusion of the 2015 Annual General Meeting until the conclusion of the next general meeting at which accounts are laid before the Company**

**15. To authorise the Audit and Risk Committee of the Board to determine the remuneration of the auditors**

**16. To authorise the directors to allot shares**

THAT, in substitution for all existing authorities, the directors of the Company be and are hereby authorised generally and unconditionally to exercise all the powers of the Company (in accordance with Section 551 of the Companies Act 2006) to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company;

(a) up to an aggregate nominal amount of US\$19,920,796; and in addition

(b) comprising equity securities (as defined in Section 560(1) of the Companies Act 2006) up to a further aggregate nominal amount of US\$19,920,796 in connection with an offer by way of a rights issue

(together the 'Securities')

and so that the directors of the Company may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any

territory or any other matter, such authorities to expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting after the date of the passing of this Resolution 16 (or, if earlier, on the close of business on 30 June 2016) but, in each case, so that the Company may make offers and enter into agreements before the authorities expire which would, or might, require Securities to be allotted after the authorities expire and the directors of the Company may allot Securities under any such offer or agreement as if the authorities conferred hereby had not expired.

For the purposes of the authority in Resolution 16 'rights issue' means an offer to:

- (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors of the Company otherwise consider necessary.

References in this Resolution 16 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in Section 560(1) of the Companies Act 2006) are to the nominal amount of shares that may be allotted pursuant to the rights.

**17. To authorise the directors to allot shares for cash other than on a pro-rata basis to existing shareholders\***

THAT, in substitution for all existing authorities and subject to the passing of Resolution 16, the directors of the Company be generally empowered pursuant to Section 570 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the general authorities conferred by Resolution 16 and/or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006, in each case free of the restriction in Section 561 of the Companies Act 2006, such power to be limited to:

- (a) the allotment of equity securities in connection with a pre-emptive offer of equity securities (but in the case of an allotment pursuant to the authority granted by paragraph (b) of Resolution 16, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only); and
- (b) the allotment of equity securities pursuant to the authority granted by paragraph (a) of Resolution 16 and/or an allotment which constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 (in each case, otherwise than in the circumstances set out in paragraph (a) of this Resolution 17) up to an aggregate nominal amount of US\$2,988,119 calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights

and so that the directors of the Company may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such power to apply (unless previously

## Notice of Annual General Meeting continued

renewed, varied or revoked by the Company in general meeting) until the conclusion of the next Annual General Meeting after the date of the passing of this Resolution 17 (or, if earlier, until the close of business on 30 June 2016) but so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the directors of the Company may allot equity securities under any such offer or agreement as if the power conferred hereby had not expired.

For the purposes of this Resolution 17 'rights issue' has the same meaning as in Resolution 16 above.

### 18. To authorise the Company to purchase its own shares\*

THAT, in substitution for all existing authorities, the Company be and is hereby generally and unconditionally authorised pursuant to Section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of the Company's ordinary shares of 3½ US cents each ('ordinary shares') on the London Stock Exchange provided that:

- (a) the maximum aggregate number of ordinary shares that may be purchased is 261,283,961;
- (b) the minimum price (exclusive of expenses) which may be paid for an ordinary share is 3½ US cents or the Sterling equivalent of 3½ US cents (calculated on the basis of the spot rate of exchange in London (as derived from Reuters) for the purchase of US dollars with Sterling at 6.00pm on the day before the relevant purchase) per ordinary share;
- (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of:
  - (i) 105% of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and
  - (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for:
    - (A) the last independent trade of; and
    - (B) the highest current independent bid for any number of the Company's ordinary shares on the London Stock Exchange; and
- (d) the authority hereby conferred shall expire on the earlier of close of business on 30 June 2016 or the conclusion of the next Annual General Meeting following the passing of this resolution except that the Company may make a contract to purchase ordinary shares under the authority hereby conferred which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract as if the authority conferred by this Resolution had not expired.

### 19. To authorise a 14 day notice period for general meetings other than AGMs\*

THAT the directors be authorised to call general meetings of the Company other than Annual General Meetings on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the next Annual General Meeting after the date of the passing of this Resolution.

By order of the Board



### Rachel Rowson

Company Secretary  
25 March 2015

Registered office:  
Riverbank House  
2 Swan Lane  
London  
EC4R 3AD  
Registered in England No. 08172396

\* Special resolution which requires at least 75 per cent of the votes cast to be in favour

# Appendix 1: Approval of the Directors' remuneration policy

## Letter from Phillip Colebatch, Remuneration Committee Chairman



Phillip Colebatch, Remuneration Committee Chairman

**Dear Shareholder**

**As set out in Resolution 2 we are proposing to adjust our Directors' remuneration policy. The purpose of the adjustment is to provide the Board with the flexibility to be able to pay compensation to our executive directors which is commensurate with any continuing strong levels of future performance. It will increase the range of the incentive opportunity available for the Board to use but does not signal any firm intention or commitment to grant executive awards at a higher level. We have incorporated the proposed change in a new Directors' remuneration policy (set out on pages 13 to 19), which is being presented to shareholders for approval at the 2015 AGM.**

The structure of our executive director remuneration policy is unchanged. The policy continues to incentivise achievement against transparent and stretching targets linked to the strategy and performance of the business and is designed to drive and reward the creation of long-term shareholder value. Further details of the context for, and operation of, the adjustment in incentive opportunity are given below.

### 2014 performance

As shown in our recent Annual Report, and as reflected in the strong rise in Man Group's share price over the last six months, the Company's performance improved materially in 2014. Adjusted management fee EPS increased by 28% and adjusted EPS increased by 73% year on year. Statutory EPS increased from 2.9 cents per share in 2013 to 20.5 cents per share in 2014. In response to this, the Board recommended an increased final dividend of 3.95 pence per share and announced a share buyback programme with a target of \$175 million. The much improved results demonstrate the success of our new CFO (Jonathan Sorrell) and CEO (Manny Roman), appointed in June 2012 and February 2013 respectively, in restructuring and reshaping the business over the last two and half years.

### Review of policy

The achievements in 2014 highlight the potential strength of future shareholder returns and prompted the Board to review whether the limits in the existing Directors' remuneration policy remain 'fit for purpose' and would permit the Board to award remuneration to executive directors at a level which would appropriately recognise any future strong performance. In addition, in reviewing the level of compensation awards granted to the executive directors for 2014 against such relevant public market data as are available, the Board noted that their total 2014 compensation was at the low end of both CEO and CFO comparable market figures.

### Increase in incentive opportunity

The proposed change increases the maximum payable as short-term cash incentive ('STI') from 250% of base salary to 300%, and the maximum award under the long-term Deferred Executive Incentive Plan ('DEIP') from 350% to 525% of base salary, with appropriate transition arrangements to prevent the increase in the DEIP limit being applied retroactively for performance years already completed.

It is important to emphasise that this change is intended to provide the Board with the flexibility to be able to pay compensation commensurate with any realised strong performance and does not change the Board's current rigorous approach to reward decisions. Without this change, the Board is very concerned that it will not be able to award the compensation appropriate to reward higher levels of performance and ensure that our remuneration remains competitive in the market place, a highly undesirable outcome for all shareholders with all its attendant risks.

## Appendix 1. Approval of the Directors' remuneration policy continued

### Board considerations

In considering this matter, the Board established a number of principles for any change in policy:

1. It should reflect the development and progress of the business since the adoption of the existing incentive limits in 2013 when performance and shareholder return were very poor;
2. It should only enable, rather than guarantee, increased pay for any achieved future strong performance should the Board consider that to be appropriate;
3. It should address the concerns over the competitive dynamic;
4. There should be no change to the complete flexibility the Board currently has to determine the appropriate compensation within the shareholder approved limits;
5. It should not change the remuneration structure, which the Board continues to believe supports our strategy and rewards its successful execution;
6. It should be supported by an analysis of competitor approaches;
7. It should maintain shareholder approved limits even though many competitors do not;
8. It should not have any retroactive characteristic but apply only to future performance years, including the 2015 year; and
9. It should be weighted to the long-term incentive and increase the share proportion of any incentive compensation potentially awarded.

These points are described in more detail below.

### Remuneration structure

The structure of remuneration for our executive directors remains unchanged.

### Short-term incentives

Short-term incentives will continue to be determined by the Board's evaluation of performance against annual objectives as set by the Board for each individual executive director. These objectives will continue to reflect the Board's view of the immediate operating imperatives for the Company each year and will be reported in the Directors' remuneration report for the relevant performance year.

### Long-term incentives

The structure of the long-term incentives, including the balanced scorecard of performance metrics, also remains unchanged as these continue to reflect the long-term strategic priorities which, if achieved, the Board believes would result in a continuing improvement in the Company's business platform and financial performance, both for investors in our products and for shareholders. The Board believes that the four discrete quantitative metrics which account for 80% of the DEIP award, as set out in the table on page 15, create a very broad and stretching framework of objectives and that maintaining a high level of achievement against each separate metric consistently over a three year period is a considerable challenge.

### Determination of awards

It is also very important to note that, whatever the percentage achievement calculated by the application of the DEIP metrics, the Remuneration Committee will then consider to what multiple of salary, within the shareholder approved maximum, that percentage should be applied. This assessment will take account of a number of factors including overall corporate performance, shareholder return and experience, internal relativities and the current public and private fund manager competitive landscape. The Remuneration Committee has full

discretion to select such multiple from 0% up to the maximum 525% as it feels is appropriate and will not hesitate to apply a reduced level of multiple if it feels this is justified by the other factors it has considered. The rigour of this approach was demonstrated in the Remuneration Committee's decision, given the unsatisfactory level of corporate performance in the financial year 2013, to reduce from 350% to 175% the multiple of salary to which the calculated DEIP percentage was applied. In making award decisions, the Remuneration Committee will also have regard to shareholder views and the need to feel confident that its decisions will be understood and supported by investors when reported in the Directors' remuneration report for the relevant year and voted on at the AGM.

### Shareholder alignment

The final point to note is that whatever the value of the award decided by the Remuneration Committee at the award date, that value is deferred into shares which will only vest, subject to the director remaining with the Company, some three to five years later. The ultimate value of the award to the director at the time of eventual vesting will be determined by and aligned with shareholder return and experience over the intervening period. It will also be subject to the malus provisions of the DEIP throughout.

### Market comparators

Man Group competes for talent, capital and clients in both the publicly quoted market and also in the hedge fund industry which is largely privately held. In fact, the Board believes that the competition for talent is predominantly driven by the private hedge fund market rather than by publicly quoted asset managers. Available external data are largely restricted to publicly quoted fund management groups and selected financial institutions for which investment management is a material business line. The comparability of these companies varies depending on differences (some of them material) in size, business mix and geographic footprint and their relevance varies in the extent to which they are actually competitors for talent.

An analysis of 11 UK-listed asset managers and other wholesale financial services firms carried out by our remuneration advisors, Kepler Associates, shows that six firms have uncapped short-term incentives. Out of these six, three also have uncapped long-term incentives. Where there is a cap, the median combined short and long-term incentive opportunity is 1050% of salary (compared with the proposed total opportunity of 825% for the Company). An additional analysis of five US-listed alternative asset managers, against which Man Group regularly competes for talent, shows that all incentive schemes in place, whether short or long-term, are uncapped.

When the Board proposed the existing incentive limits in its Directors' remuneration policy, it was well aware that many of its publicly reported comparators would have either much higher limits or no limits at all. Man Group's more restrictive incentive limit was imposed deliberately at that time as the Board wished to signal to the executive directors and provide assurance to our shareholders that it would not be awarding high levels of compensation so long as the Company's performance remained disappointing. The Board also recognised and agreed that it would need to revisit those restrictive limits as soon as the Company's performance improved sufficiently to justify it.

Our shareholders have seen the benefit of Man Group's improved performance in the total shareholder return ('TSR') experience since the new executive director team and the existing policy incentives were put in place in 2012/13. The TSR achieved over the two years to February 2015 is 108% p.a. This compares to a median return of 31.5% p.a. for our peer group of selected UK-listed asset managers and wholesale financial services firms over that period. We are, therefore, now seeking to increase the range of incentive opportunity we have at our disposal so that we are better able to reflect and reward any continuing strong levels of performance.

### Transition arrangements – no retroactive application

#### Long-term incentives under the DEIP

In order to ensure that the increased limit cannot apply in respect of performance years already completed, the total maximum opportunity under the DEIP will be increased progressively from 350% to 525% of salary until reaching 525% with respect to the maximum opportunity available in March 2018 for performance in the period 2015 to 2017. Details of the progressive build-up of the maximum opportunity over the future three year period are given in the table below. By way of illustration, awards to be made in March 2016 will reflect one year of performance (2015) under the new limit and two years of performance (2013 and 2014) under the old limit. The limit applicable to awards made in March 2016 will, therefore, be a weighted blend (one third of the new limit and two thirds of the old limit) of the limits applicable to the three year performance period 2013 to 2015.

Award	Date of award	Maximum percentage of salary opportunity in respect of performance year					Total opportunity
		2013	2014	2015	2016	2017	
DEIP	March 2014	350%					350%
	March 2015	175%	175%				350%
	March 2016	117%	117%	175%			409%
	March 2017		117%	175%	175%		467%
	March 2018			175%	175%	175%	525%

#### Short-term incentives

Short-term cash incentive awards are made on an annual basis and reflect the performance in the immediately preceding year; the question of retroactive application does not, therefore, arise. The new limit for these incentives will apply for the performance year 2015.

#### Short-term/DEIP mix – weighting towards shares

The proposed change of limits, with a smaller increase applicable to the short-term incentive and a larger increase applicable to the DEIP, reflects the Board's wish to reinforce the importance of long-term incentives which are aligned to the Company's strategic priorities and which create a greater emphasis on awards made in shares. Thus, in the event of a very good year for which the Remuneration Committee considered awards at the maximum to be appropriate, nearly two thirds of the award value would be in deferred shares and only one third in cash. The two thirds of the award deferred into shares would be granted at the end of a three year performance period (with the related performance objectives having been established at the beginning of that period) and would vest over the following three to five years, providing direct alignment between executive director and shareholder interests and experience throughout that time.

#### Remuneration Committee judgement

It is important to emphasise again that the proposed maximum incentive limits define the boundaries within which the Remuneration Committee is able to make awards and in no way foreshadow any actual level of award which the Remuneration Committee may make within those boundaries. Actual awards will continue to be determined by performance. The Remuneration Committee has previously demonstrated its rigorous determination of actual pay for achieved performance and its grant of awards at substantially below the maximum available. As noted above, it chose to reduce from 350% to 175% the multiple of salary to which the calculated DEIP percentage for 2013 was applied. It also awarded only 70% of the possible short-term incentive award to the CEO for 2013 despite his having achieved all the agreed short-term objectives for that year.

#### Shareholder consultation

As part of the Board's consideration of the above increases in incentive opportunity, we consulted with our largest shareholders and certain shareholder representative bodies in order to ensure that their views on our proposals were taken into account. The changes we are now presenting for approval at the 2015 AGM reflect those views. The proposals discussed with shareholders contemplated a change in the STI limit to 300% of base salary and the DEIP limit to 700% of base salary. There was little discussion about, or objection to, the proposed increase to the STI limit. While a majority of those consulted understood and supported the suggested change to the DEIP limit, some shareholders expressed a preference for a two-step increase in the incentive opportunity made available under the DEIP. In response to that feedback the Board decided to propose to shareholders an increase to the deferred incentive limit of 525% of salary, effective for the 2015 performance year, rather than to the 700% initially contemplated. This is the proposal for which we are now seeking approval at the 2015 AGM. Shareholders will be able to assess the awards actually made by the Board in relation to Man Group's future performance in each year's Directors' remuneration report and vote accordingly.

**Appendix 1. Approval of the Directors' remuneration policy continued****Conclusion**

The Board believes that the proposed new incentive limits will permit the award of compensation at a level which properly reflects any achieved high performance over the next several years and thus help Man Group remain competitive in the global talent market in which it operates. In proposing the new limits, the Board has followed the principles summarised earlier and repeated below, many of which shareholders have endorsed and commended to us in our consultation discussions:

1. We continue to have limits whereas a number of our competitors do not;
2. We have increased the relative emphasis on long-term awards made in shares;
3. We have maintained the structure of the DEIP which is driven by objectives which the Board views as being strategically important to Man Group;
4. We have maintained our flexibility to reduce, but not increase, the actual awards made under the DEIP regardless of the outcome calculated under the performance metrics; and
5. We have designed transition arrangements for the DEIP which prevent any retroactive application of the new limits to performance years already completed.

Finally, the Board views the proposed new limits only as **enabling** the possibility of awarding higher compensation should performance justify this. The Board has, as discussed above, demonstrated a clear track record in applying rigour and discipline as regards the level of awards actually made.

Yours sincerely

**Phillip Colebatch**

Chairman of the Remuneration Committee

# New Directors' remuneration policy

Aligning the interests of the executive directors with those of shareholders and with Man Group's strategic goals is central to Man Group's remuneration policy.

In line with shareholders' interests being managed within a robust governance framework, the Company aims to retain and incentivise high calibre executive directors by paying competitive base salary and benefits, together with a short-term annual bonus and a long-term deferred bonus linked to:

- profits and contribution;
- the achievement of individual objectives, which are consistent with the strategy of the Company and building sustainable profitability;
- the achievement of long-term strategic KPIs in line with the long-term focus of the Company;
- the creation of long-term shareholder value;
- ongoing oversight of a robust risk management framework;
- maintenance of strong capital and liquidity positions; and
- addition of senior talent, building succession for leadership and setting a strong governance structure for the Board's delegated authorities.

The Directors' remuneration policy which shareholders are being asked to approve at our AGM on 8 May 2015 is set out below. Subject to shareholder approval, the new policy will take effect from the date of that meeting.

## Executive directors' remuneration policy

Table R1

Function	Operation	Opportunity	Performance metrics
<b>Base salary</b> Based on experience and individual contribution to leadership and Company strategy	Salaries are reviewed annually at the year end taking into account market ranges for executives of comparable status, responsibility and skill in companies of similar size and complexity to Man Group with consideration also given to sector relevance.	There is no set maximum salary for executive directors. In reviewing salaries the Remuneration Committee takes into account company performance, salary increases below Board level, expansion of the role, market practice and total compensation opportunity.	Continued good performance
<b>Pension</b> To provide an opportunity for executives to build up income on retirement	Group Personal Pension (GPP), or a similar contribution to an alternative arrangement is provided. For those exceeding HM Revenue & Customs pension allowances, cash allowances are provided at no additional cost to Man Group.	The maximum employer contribution is 20% of pensionable base salary.	None
<b>Benefits</b> To provide non-cash benefits which are competitive in the market in which the executive is employed	Benefits include family private medical insurance, life assurance and permanent health insurance.  Flexible benefits can be purchased from base salary.  Other ad-hoc benefits such as relocation can be offered, depending on personal circumstances.	It is not anticipated that the total taxable benefits for any executive director will normally exceed 10% of salary.	None

## New Directors' remuneration policy continued

### Executive directors' remuneration policy continued

**Table R1**

Function	Operation	Opportunity	Performance metrics
<b>Sharesave</b> To encourage UK-based employees to own Man Group shares	The Man Group Sharesave Scheme is an all-employee plan. The executive directors who participate in the Sharesave Scheme are granted options over Man Group shares and make monthly savings from their post-tax salary. Options are normally granted at a 20% discount to market price on the date of grant.	Savings capped at HM Revenue & Customs limits.	In accordance with HM Revenue & Customs requirements.
<b>Executive Incentive Plan</b> <b>Short-term annual cash bonus</b>  To incentivise and reward strong performance against annual financial and non-financial targets	Objectives are set at the start of the year. At the end of the year, the Remuneration Committee considers the extent to which these have been achieved and recommends the award level to the Board. Awards are normally paid in cash.	The maximum award is 300% of salary.	The bonus is based on the Remuneration Committee's assessment of executive directors' performance over a financial year against objectives, which include: <ol style="list-style-type: none"> <li>1. Strategy, structure and people</li> <li>2. P&amp;L performance and sales</li> <li>3. Financial health</li> <li>4. Risk, compliance and reputation</li> <li>5. External stakeholder engagement</li> </ol> The outcome of performance against these objectives will be reported in the Directors' remuneration report for the financial year in consideration.

## Executive directors' remuneration policy continued

Table R1

Function	Operation	Opportunity	Performance metrics
<b>Executive Incentive Plan</b> <b>Long-term deferred bonus</b>  To engage and motivate senior management to deliver on KPIs and support the implementation of the Company's strategy.	<p>Deferred shares are awarded subject to an assessment based on the three prior years' performance against financial and non-financial objectives set at the <i>start</i> of that three year performance period. Performance is measured for each of the three reporting years and then averaged.</p> <p>Transitional arrangements of one, two and three-year performance periods will apply for new executive directors, to ensure that they do not receive an award based on performance pre-dating their hire.</p> <p>For any deferred shares awarded, the vesting period is set at a further three to five years after the end of the relevant performance period. This creates, with the performance and vesting periods combined, a total time horizon of six to eight years. During the three to five year vesting period, the value of any shares awarded will be fully aligned with and dependent on shareholder experience and value over that time.</p> <p>The number of shares subject to an award is increased by reference to any dividends paid between the grant and vesting date of an award. Such shares vest only when the shares subject to an award vest.</p> <p>Malus provisions apply for misstatement or gross misconduct.</p>	<p>The deferred awards will be determined in relation to performance measured against the balanced scorecard metrics set out in the performance metrics column.</p> <p>The maximum deferred award opportunity will gradually increase to 525% of salary as follows:</p> <ul style="list-style-type: none"> <li>– 2016 awards: 409%</li> <li>– 2017 awards: 467%</li> <li>– 2018 awards: 525%</li> </ul> <p>This staged increase ensures that the incentive opportunity for performance years completed prior to the date on which the policy change becomes effective is not increased retroactively.</p>	<p>Based on a balanced scorecard of performance criteria for each executive director.</p> <p>80% of the award is based on financial criteria, comprising:</p> <ul style="list-style-type: none"> <li>– Investment performance 25%</li> <li>– Net flows 25%</li> <li>– Adjusted management fee EBITDA margin 15%</li> <li>– Adjusted management fee EPS growth 15%</li> </ul> <p>The remaining 20% of an award is based on the Remuneration Committee's assessment of performance against non-financial criteria including culture and talent.</p> <p>The Remuneration Committee initially assesses executive director performance against the metrics outlined above to determine the percentage of award earned for the performance period. It then has full discretion to decide the multiple of salary (between 0% up to the maximum set out in the Opportunity column) to which the percentage of award determined by the metrics should be applied. In deciding this multiple, it takes account of any performance issues not included in the DEIP metrics and any other relevant factors such as overall corporate performance, shareholder return and experience, internal relativities and the current public and private fund manager competitor landscape. Under no circumstances can the maximum set out in the Opportunity column be exceeded.</p> <p>The Remuneration Committee may adjust the weighting or definition of the above performance criteria from time to time, to reflect changes in strategic priorities.</p>

**Notes to the policy table:**

In implementing the above remuneration policy, the Remuneration Committee shall have regard to all relevant legal and regulatory requirements, including the principles and provisions of the UK Corporate Governance Code, the UKLA Listing Rules, the Financial Conduct Authority Remuneration Code of practice on remuneration policies, the AIFM Remuneration Code, and to leading investor representative body guidelines (including the Investment Association, ISS and the NAPF).

Please note that any commitments made prior to, but due to be fulfilled after, the approval and implementation of the remuneration policy approved by shareholders will be honoured. In addition to the elements of remuneration detailed in the policy table, the Remuneration Committee may consider it appropriate to grant an award under a different structure in order to facilitate the recruitment of an individual, exercising the discretion available under the UKLA Listing Rules (see details in paragraph 2.7).

## New Directors' remuneration policy continued

### 2.2. Performance measures selection and approach to target-setting

Annual objectives are set according to immediate priorities identified by the Board and management and will be reviewed and adjusted annually to reflect changing priorities. The long-term performance metrics are in line with the long-term strategic focus of the Company and will be reviewed as required in line with any changes in strategic direction.

### 2.3. Differences between executive directors' and employees' remuneration

Executive Committee members are eligible to participate in the Executive Incentive Plan alongside executive directors to align the remuneration of the most senior management. However, in line with market practice in alternative investment funds, their incentive payouts are uncapped.

Employee remuneration includes base salary, benefits, an annual performance bonus and, for senior contributors, long-term share and fund-based deferrals. The level of deferral increases as total compensation increases. This provides alignment with shareholders and the future performance of the Company and with the interests of investors in funds managed by the Company.

Sales staff have a specific bonus scheme to reinforce asset gathering and retention whilst aligning interests on costs.

### 2.4. Shareholding guidelines

In order to align the interests of executive directors and shareholders, Man Group requires its executive directors to maintain a proportion of Man Group shares calculated with reference to their base salary. The Chief Executive Officer is required to maintain a shareholding of 200% of base salary. Other executive directors are required to maintain a shareholding of 100% of base salary. Executive directors are required to build up this shareholding on joining the Board and after a reduction in share price. Incumbents will build up to the prescribed shareholdings with (post-tax) vested shares where not already at or above this level.

In addition, as explained in Table R1, the long-term deferred bonus element of the Executive Incentive Plan has been designed so that executive directors have the potential to build up over time a significant holding of unvested shares, subject to ongoing service, which are fully aligned with shareholder experience and value. However, these shares are not taken into account in the calculation of the level of directors' holdings measured against our shareholding guidelines which require the holding of totally unrestricted and disposable shares.

### 2.5. Non-executive directors' remuneration policy

Non-executive directors have formal letters of appointment. These do not contain any notice provisions or provision for compensation in the event of early termination. The Chairman has a contract with the Company which provides that his appointment as Chairman is terminable on three months' notice; there are no notice provisions relating to his appointment as a director. The Board's policy is to appoint non-executive directors for an initial three-year term, subject to retirement and reappointment by shareholders annually at the AGM, which may be followed by a further three years by mutual agreement. Any further extension will be subject to rigorous review. The initial dates of appointment of the non-executive directors to the Board are shown on pages 30 and 31 of the 2014 Annual Report, and their current fee levels are provided in the Directors' remuneration report. Non-executive directors are also encouraged to build a shareholding in the Company.

Details of the policy on fees paid to our non-executive directors are set out in the table below.

#### Non-executive directors' remuneration policy

Table R2

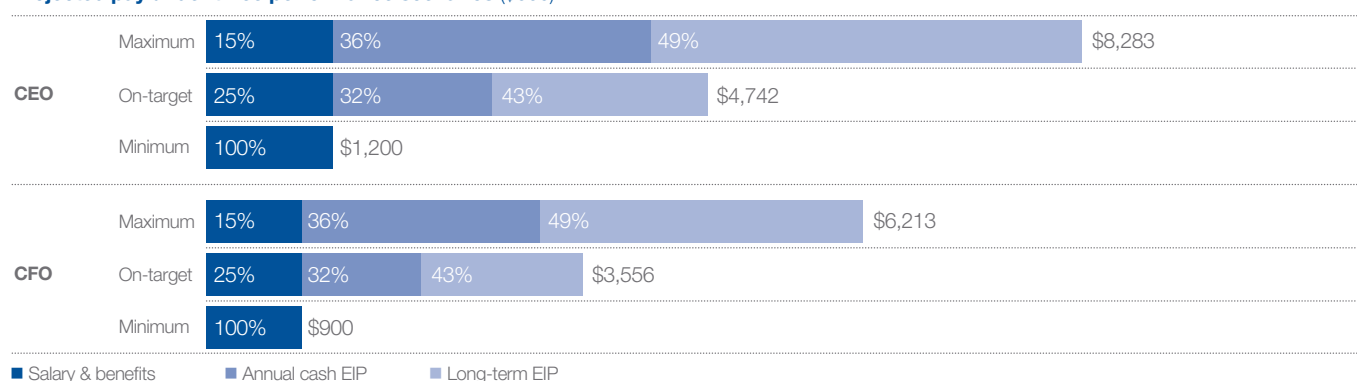
Function	Operation	Opportunity	Performance metrics
<b>Fees</b> To attract and retain non-executive directors of the highest calibre and experience relevant to Man Group	<p>Fees are reviewed annually by the Board at the year-end taking into account market benchmarks for non-executives of companies of similar size and complexity to Man Group with consideration of sector relevance.</p> <p>The Chairman's remuneration is recommended by the Remuneration Committee and approved by the Board. Neither the Chairman nor the non-executive directors take part in discussions or vote on their own remuneration.</p> <p>Non-executive directors receive a base fee for Board service and additional fees for Board Committee membership and other responsibilities. They do not participate in any share option or share incentive plans.</p>	<p>Any fee increases for non-executive directors will not normally exceed the average increase in the market. A fee increase may be above this level if there is a significant change in time commitment required or scope of the role.</p>	None

## 2.6. Illustrative pay for performance scenarios

Although executive directors will be assessed individually for their short-term awards, the chart below provides an illustration of some of the potential 2016 reward opportunities for executive directors, and the potential split between the different elements of remuneration under three different performance scenarios: 'minimum', 'on-target' and 'maximum'.

**Projected pay under three performance scenarios (\$'000)**

**Table R3**



Assumptions used:

- The 'minimum' scenario reflects base salary, pension and benefits (i.e. fixed remuneration) which are the only elements of the executive directors' remuneration packages not linked to performance during the year under review.
- The 'on-target' scenario reflects fixed remuneration as above, plus bonus payout of 150% of salary for the short-term award (corresponding to the Remuneration Committee's assessment of an overall on-target performance) and a long-term deferred bonus award of 205% of salary for 2016 (corresponding to the Remuneration Committee's assessment of an overall on-target performance over the three-year performance period, 2013 to 2015).
- The 'maximum' scenario reflects full bonus payout of the maximum of 300% of salary for the short-term annual cash bonus award and the maximum of 409% of salary for the 2016 long-term deferred bonus award based on the three-year performance period 2013-2015.
- The illustrations are based on initial award value and do not, therefore, reflect potential share price appreciation or any dividends received over the deferral periods.

## 2.7. Approach to recruitment remuneration

### External appointment

**Approach to recruitment remuneration**

**Table R4**

Component	Approach	Maximum grant value
<b>Base salary</b>	Base salary will be determined to provide competitive total compensation in relation to relevant market practice, experience and skills of the individual, internal relativities and their current compensation.	None
<b>Pension</b>	Pension contributions or an equivalent cash supplement will normally be set in line with existing policy.	n/a
<b>Benefits</b>	Benefits may include (but are not limited to) private medical insurance, life assurance, permanent health insurance, Group income protection and any necessary relocation expenses.	n/a
<b>Sharesave</b>	New appointees will be eligible to participate in any all-employee share schemes the Company offers.	n/a
<b>Executive Incentive Plan</b> <i>Short-term annual cash bonus</i>	The remuneration structure described in the policy table will apply to new appointees with the relevant maximum being pro-rated to reflect the proportion of employment over the year.	300% of salary
<b>Executive Incentive Plan</b> <i>Long-term deferred bonus</i>	New appointees may be granted awards under the long-term deferred bonus on the same terms as other executive directors, as described in the policy table.  The performance periods used for determining the awards will be gradually increased until the new appointee has completed three full financial years at Man Group.	525% of salary

## New Directors' remuneration policy continued

In determining the appropriate remuneration, the Remuneration Committee will take into consideration all relevant factors (including quantum, nature of remuneration and the jurisdiction from which the candidate was recruited) to ensure that arrangements are in the best interests of both Man Group and its shareholders.

With respect to a new appointment the Remuneration Committee may 'buy out' incentive arrangements, including bonuses, forgone on leaving a previous employer, and awards made under such 'buy out' arrangements may be in addition to the remuneration outlined in the table above. In doing so, the Remuneration Committee will consider relevant factors including any performance conditions attached to those incentive arrangements and the likelihood of those conditions being met. In defining the size of this 'buy out' award, the Remuneration Committee would ensure that its fair value is no higher than the fair value of the incentive arrangements forgone. The Remuneration Committee may also consider it appropriate to structure any such 'buy out' award differently to the structure described in the policy table including whether appropriate performance conditions should apply, exercising the discretion available under the UKLA Listing Rules.

The Remuneration Committee does not intend that such 'buy out' awards will be made as a matter of routine; on the contrary, although the Remuneration Committee cannot anticipate every circumstance which it might face in the future, it is expected that any such awards made under the UKLA Listing Rules will only be contemplated in exceptional circumstances, will be reviewed and approved by the full Board and described fully in the subsequent year's Directors' remuneration report.

### Internal appointment

For the appointment of a new executive director by way of internal promotion, the Remuneration Committee's approach will be consistent with the policy for external appointees detailed above. Where an individual has contractual commitments made prior to their promotion to the Board, the Company will continue to honour these commitments.

### 2.8. Non-executive directors

When recruiting a new non-executive director, the Board will utilise the policy as set out in Table R2 on page 16. A base fee in line with the prevailing fee schedule would be payable for Board membership, with additional fees payable for acting as Senior Independent Director or as a member or Chairman of a Board Committee.

### 2.9. Service contracts and exit payment policy

Service contracts		Table R5
Element	Condition	
Contract dates	Jonathan Sorrell: 28 September 2012 Emmanuel Roman: 7 February 2013	
Current appointment	No fixed term	
Notice period (by either Company or director)	Emmanuel Roman: 12 months Jonathan Sorrell: 6 months  The Company's policy is that notice periods will not exceed 12 months	
Contractual entitlement to fixed bonus or share-based incentive	None	
Provisions for contract termination	Under both contracts the Company can opt to terminate immediately by making a payment in lieu of the notice period or part of it. Emmanuel Roman's contract requires payment of base salary only in lieu. Jonathan Sorrell's contract requires payment of base salary plus the value of pension contributions (or alternative cash allowance) and certain other insured benefits in lieu.  Payments in lieu are to be made in monthly instalments unless the Company and the executive director agree otherwise.  Unless the Company decides otherwise both executive directors have a duty to mitigate their losses arising from termination of their employment; any replacement earnings earned in what would otherwise have been the notice period will reduce the obligation on the Company to make payments in lieu.	
Short-term annual cash bonus	The service contracts do not oblige the Company to pay any cash bonus to executive directors and bonuses are awarded at the Board's discretion following a recommendation from the Remuneration Committee. Payment of any cash bonus is conditional upon the executive director being in employment and not under notice at the payment date.	
Long-term deferred bonus and other awards	The treatment of deferred bonuses and other long-term awards is governed by the relevant Plan rules as explained below.	

To protect Man Group's business interests the executive directors' service contracts contain covenants which restrict the executives' ability to solicit or deal with clients and their ability to solicit senior employees. Emmanuel Roman has also entered into a broader non-compete covenant for an agreed period post termination.

Further, the Board has the right, at its discretion, to require Jonathan Sorrell to comply with a broader non-compete covenant for up to six months post termination to provide additional protection for the Company. If the Board exercises this right, the Company will pay an additional amount up to six months' base salary and the value of pension contributions (or alternative cash allowance) and certain other insured benefits so that he is not left without income during the time when the Board wishes the non-compete to operate. This amount is paid in two equal instalments and is reduced by any payments made in lieu of notice.

Executive directors' service contracts are available to view at the Company's registered office.

When considering exit payments, the Remuneration Committee reviews all outstanding incentive awards and assesses outcomes that are fair to both shareholders and participants. The table below summarises how long-term deferred awards are typically treated in specific circumstances, with the final treatment remaining subject to the Remuneration Committee's discretion.

#### Long-term deferred bonus and other share awards

**Table R6**

Reason for leaving	Timing of vesting	Calculation of vesting/payment
Good leaver <sup>(a)</sup>	Follows normal vesting schedule (except in the case of death where the Remuneration Committee may allow early vesting).	Awards vest on a time pro rata basis under the long-term deferred bonus of the Executive Incentive Plan. No time pro-rating applies under the Deferred Bonus Share and Option Plan <sup>(b)</sup> .
Any other reason	All awards lapse.	

#### Notes:

- (a) Good leaver reasons include death, retirement, ill-health, injury or disability, redundancy, sale of the company or business in which the individual was employed, leaving with agreement of the Company if the Remuneration Committee is satisfied that an orderly handover has been organised and performed. The Remuneration Committee may also decide, in its discretion, to grant good leaver status in other exceptional circumstances and will take into account the reason for leaving and the executive director's performance up to the date employment ceases.
- (b) Jonathan Sorrell was granted a conditional share award under the Deferred Bonus Share and Option Plan in March 2013.

#### 2.10. External appointments

With the approval of the Board in each case, and subject to the overriding requirements of the Company, executive directors may accept a limited number of external appointments as non-executive directors of other companies and retain any fees received. Details of external directorships held by executive directors, including associated fees, are provided in the Directors' remuneration report for the relevant year.

#### 2.11. Consideration of conditions elsewhere in the Company

In assessing executive director remuneration, internal relativities within the Company are reviewed by the Remuneration Committee. These internal reviews cover the individual elements of base salaries, benefits and total compensation.

#### 2.12. Consideration of shareholder views

The Remuneration Committee takes into account shareholder views received in relation to remuneration resolutions to be considered at the AGM each year and guidance from shareholder representative bodies more broadly. The Remuneration Committee considers shareholder feedback an important input when forming remuneration policy and regularly reviews Man Group's remuneration policy against the guidelines of key institutional shareholders and their representative bodies.

The above remuneration policy was discussed with a number of Man Group's major shareholders and certain shareholder voting bodies in early 2015 and reflects the views expressed in that consultation.

# AGM information

## How to get there

**By tube:** Riverbank House is within walking distance of the following tube stations: Monument (5 minutes), Cannon Street (5 minutes), Bank (12 minutes) and London Bridge (10 minutes).

**By train:** Riverbank House is within walking distance of London Bridge (10 minutes) and London Cannon Street (5 minutes) rail stations. Those travelling by train to London Bridge are urged to visit [www.tfl.gov.uk](http://www.tfl.gov.uk) for information on how their journeys might be affected by the current London Bridge upgrade works.

**By bus:** There are numerous buses which stop near Riverbank House. Please visit [www.tfl.gov.uk](http://www.tfl.gov.uk) for further information.

**By car:** There is no car parking at Riverbank House; however, there is a public car park nearby. For more information, visit [www.ncp.co.uk](http://www.ncp.co.uk). Please note that Riverbank House is located within the congestion charging zone. For more information, visit [www.cclondon.com](http://www.cclondon.com).

## Attending the meeting

If you intend to come to the AGM, please complete the Attendance Card and return it to our Registrars. This will give us an indication of how many shareholders to expect. In addition, please bring your Admission Card with you to the meeting as it will confirm your right to attend, speak and vote and will speed up your admission to the meeting. Both cards are attached to the Form of Proxy.

## Voting – poll procedure

Voting on each of the resolutions will be conducted by poll rather than on a show of hands. Shareholders will be provided with a poll voting card on registration at the meeting and will be invited to complete it at the end of the meeting when the resolutions have been proposed. The results of the poll will be announced to the market by the end of the day and published on the Company's website.

## Refreshments

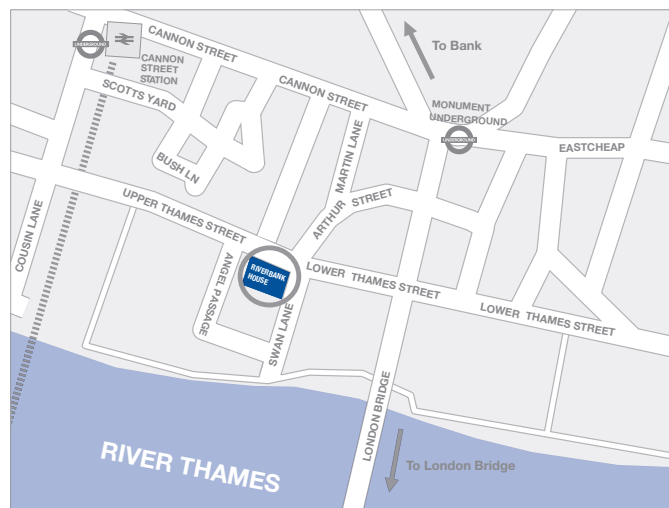
Tea and coffee will be available from 9.30am on the morning of the meeting. Please note, however, that there will be no refreshments after the meeting.

## Shareholder enquiries

The address and contact details for the Company's Registrars, Equiniti, are: Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, Tel: 0871 384 2112<sup>1</sup>. Callers from outside the UK should telephone +44 121 415 7592.

Please note that you can check your shareholding and dividend payments, and update your personal details, by logging on to Equiniti's website [www.shareview.co.uk](http://www.shareview.co.uk). To do this, you will need your shareholder reference number shown on your dividend tax voucher or share certificate.

<sup>1</sup> Calls to this number are charged at 8p per minute plus network extras. Lines are open between 8.30am and 5.30pm every business day.



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