

28 January 2022

**Extraordinary General Meeting  
Address from the Chairman**

Megaport Limited (ASX:MP1) provides the attached address from the Chairman to be presented at the Extraordinary General Meeting to be held today.

Authorised by the board.

**About Megaport**

Megaport is the global leading provider of Elastic Interconnection services. Using Software Defined Networking (SDN), the Company's global platform enables customers to rapidly connect their network to other services across the Megaport Network. Services can be directly controlled by customers via mobile devices, their computer, or our open API. Megaport connects more than 2,300 customers in over 760 enabled data centres globally. Megaport is an Alibaba Cloud Technology Partner, AWS Technology Partner, AWS Networking Competency Partner, Cloudflare Network Interconnect Partner, Google Cloud Interconnect Partner, IBM Direct Link Cloud Exchange provider, Microsoft Azure Express Route Partner, Nutanix Direct Connect Partner, Oracle Cloud Partner, Rackspace RackConnect Partner, Salesforce Express Connect Partner, and SAP PartnerEdge Open Ecosystem Partner.

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**Megaport Limited**

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# Extraordinary General Meeting

## Address from the Chairman

On behalf of the Board, the resolutions to grant options to each of Mr Michael Klayko, Ms Melinda Snowden and Ms Glo Gordon, which were put to shareholders at Megaport's annual general meeting on 22 October 2021, and voted down, will be put to shareholders again at this meeting.

We are proposing the resolutions for your consideration once again because we strongly believe that it is important to be able to attract and retain the type of top talent at a Board level that is critical to move the organisation into our next stage of growth globally.

We all share a common goal of wanting to see solid growth and performance across the organisation and to achieve the financial targets that we are hoping to, requires a strong team at every level. Having Board members that are security holders ensures that they have an active interest in the achievements of the organisation and ultimately increasing the value of the company over time.

We want to be able to hire experienced Directors with relevant industry experience within the markets in which we operate. That requires us to be flexible for the right skills and experience so that we can remain competitive and align with the relevant market expectations. On a global basis, this means competing with opportunities that Directors have in much larger and more technology-centric markets, such as the US. Our concern as a Board is that the rigid governance rules apply restrictions on our ability to do this effectively and which ultimately hinders our ability to achieve our goals and objectives.

Support for the election of Mr Klayko, Ms Snowden and Ms Gordon was resounding. Greater than 99% of shareholders voted "for" their re-appointment. Shareholders understand the contribution of these Directors to the business and what we are trying to achieve for our shareholders. However, disappointingly proxy advisors recommended that shareholders vote against their pay - specifically, against granting them 100,000 options as part of their remuneration package.

Does voting down the grant of options to Mr Klayko, Ms Snowden and Ms Gordon mitigate any risk that they fail to exercise their duty to express dissenting views on the board (because they are concerned that their options may not vest)? No. Mr Klayko, Ms Snowden and Ms Gordon are industry professionals with track records of success and valuable reputations.

Is the amount of options unreasonable? No. The options are issued "at market", each grant represents only 0.06% of share capital and the grants allow the company to retain highly regarded and experienced global talent on a cash-efficient basis.

What voting down the resolutions does do though is create a failure on our part to fairly

compensate these top professionals and adequately recognise their unique expertise, time, experience and significant contribution. We also fear that the implications will carry on and have far greater impact than just this present situation as it has the potential to impact Megaport's ability to attract and retain expert Directors in the future.

For the reasons I have outlined, the Board (excluding Mr Klayko, Ms Snowden and Ms Gordon) believes the options form part of an offer that accurately reflects their value and the terms on which they joined our Board and accordingly recommends that shareholders vote in favour of the resolutions.