



# Notice of Meeting

Notice is hereby given that the Annual Meeting of Shareholders of Skellerup Holdings Limited (the "Company") will be held in the South Stand at Eden Park, Reimers Avenue, Auckland, and online at <https://meetnow.global/nz>, on Wednesday, 27 October 2021 commencing at 3.00pm.

## Covid-19 Implications

The Company is closely monitoring restrictions in New Zealand as a result of the COVID-19 pandemic. Having regard to health and safety of our stakeholders and people, if the alert level is expected to be above Level 1 in any region of New Zealand on the date of the Annual Meeting, the Company may elect to hold this Annual Meeting as an online meeting only. In such circumstances, the Company will provide shareholders with as much notice as is reasonably practicable by way of an announcement to the NZX and on the Company's website including providing details of how to participate in an online meeting.

## Business

- A. Chair's Address
- B. Chief Executive Officer's Address
- C. Financial Statements and Reports
- D. Resolutions
  1. That John Strowger, who retires and being eligible, offers himself for re-election, be re-elected as a director of the Company.
  2. That Alan Isaac, who retires and being eligible, offers himself for re-election, be re-elected as a director of the Company.
  3. To authorise an increase in directors' fees (refer additional information below).
    - a. That the non-executive directors' fee pool be increased by \$100,000 from \$550,000 to \$650,000 per annum with effect from 1 July 2021, to be divided among the non-executive directors as they consider appropriate.
  4. To authorise the Directors to fix the remuneration of the auditors for the ensuing year.
- E. Other Business.

## Entitlement to Vote

The persons who will be entitled to vote on the resolutions at the meeting are those persons who will be the shareholders of the Company at 5.00pm on Monday, 25 October 2021.

## Attending the Meeting

The Company is holding a hybrid Annual Meeting this year. Shareholders can attend either in person or online at <https://meetnow.global/nz> or appoint a proxy to attend on their behalf.

Shareholders joining online will be able to watch the Annual Meeting, vote and ask questions using a smartphone, tablet or desktop device. Please refer to the enclosed Virtual Meeting Guide for more information.

Shareholders who are not able to attend, in person or online, and who do not wish to appoint a proxy may cast an online or postal vote before the meeting. Please review the enclosed Voting/Proxy Form for instructions on how to vote online.

## Appointing a Proxy

Any shareholder who is entitled to attend and vote at the meeting may appoint a proxy instead to attend, in person or online, and vote on their behalf.

A proxy need not be a shareholder of the Company. The Chair of the Company is willing to act as proxy for any shareholder who may wish to appoint her for that purpose. The Chair intends to vote any undirected proxies in favour of the resolutions.

If you wish to appoint a proxy, please review the enclosed Voting/Proxy Form which provides information on how to make this appointment.

For your vote or proxy appointment to be effective, it must be received by 3.00pm on Monday 25 October 2021 (being not less than 48 hours before the time of holding the meeting). Graham Leaming, CFO, has been authorised by the Board to receive and count postal and online votes at the meeting.

Resolutions 1 to 4 are ordinary resolutions, requiring a simple majority of the votes of those shareholders entitled to vote and voting.

In accordance with NZX Listing Rules, each non-executive director and all Associated Persons of each such director (as that term is defined in the NZX Listing Rules) is disqualified from casting a vote in favour of Resolution 3, other than where the vote is cast by a non-executive director or an Associated Person of a director as proxy for a person who is entitled to vote, in accordance with the express directions on the proxy form to vote for or against the resolution. Any votes otherwise cast on resolution 3 by a non-executive director or an Associated Person of a director will be disregarded by the Company.

## Explanatory Notes

### Resolutions 1 & 2: Re-election of Directors

The NZX Listing Rules prohibit a director from holding office (without re-election) for longer than 3 years or 3 annual meetings, whichever is longer. If a director is eligible, he or she may offer himself or herself for re-election by shareholders at the meeting.

The NZX Listing Rules require the Board to identify which Directors it determines to be Independent Directors having regard to factors described in the NZX Corporate Governance Code (the "NZX Code"). The NZX Code states the materiality of any interest, position, association, or relationship needs to be assessed to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and to represent the interests of its shareholders generally. It is noted that some advisers who provide voting advice to institutional shareholders assess the independence of directors differently to the NZX Code and therefore reach different conclusions on the independence of directors.

### John Strowger

John was first appointed to the Board in March 2015, re-elected by shareholders at the 2018 Annual Meeting and therefore is to retire in accordance with NZX Listing Rule 2.7.1. Being eligible, John offers himself for election as an independent, non-executive director of the Company.

John is a leading commercial lawyer who specialises in corporate, contract and securities law and mergers & acquisitions. He was named NZ Deal Maker of the Year at the 2019, 2017 and 2015 Australasian Law Awards, and is a former member of the Financial Markets Authority. John co-heads Chapman Tripp's China desk, which coordinates the work it does pertaining to investment and trade between China and New Zealand.

Chapman Tripp provide professional services to Skellerup. John is a partner in Chapman Tripp but is not involved with the delivery of any professional services to Skellerup. The Board has considered this relationship and concluded it does not interfere with his capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and to represent the interests of its shareholders generally. Therefore, for the purposes of the NZX Listing Rules, the Board has determined that John Strowger is an independent director.

## Alan Isaac

Alan was first appointed to the Board in August 2016, re-elected by shareholders at the 2018 Annual Meeting and therefore is to retire in accordance with NZX Listing Rule 2.7.1. Being eligible, Alan offers himself for election as an independent, non-executive director of the Company.

Alan has considerable experience governing and leading businesses and sporting organisations. He is Chairman of the New Zealand Community Trust, a director of Oceania Healthcare Limited and Scales Corporation Limited. Alan was previously Chairman of KPMG NZ and of Cricket NZ and past President of the International Cricket Council and the New Zealand Institute of Directors.

For the purposes of the NZX Listing Rules, the Board has determined that Alan Isaac is an independent director.

### Resolution 3: Directors' Fees Increase

This resolution is put to shareholders in accordance with NZX Listing Rule 2.11.1 and relates to the maximum aggregate fees payable to all non-executive directors. At present the maximum fee pool for non-executive directors is \$550,000 per annum, as approved by the shareholders at the Company's annual meeting on 26 October 2016. It is proposed to increase the total pool of directors' fees by \$100,000 to \$650,000 per annum, being an 18% increase.

The current allocation of fees paid to non-executive directors is shown in the table below. There are no Committee member fees paid except for the Chair of the Audit Committee. Executive Director David Mair does not receive any director fee.

Present Allocation	Current Fee	Change since 2016
Chair	\$174,000	\$14,000
Directors (individually and excluding the Chair)	\$87,000	\$7,000
Chair of the Audit Committee (in addition to director fee)	\$25,000	\$5,000

Based on current Board membership the total annual fees paid are \$547,000 leaving \$3,000 of the approved pool unallocated.

The Company is seeking the approval of shareholders to increase the maximum fee pool for non-executive directors for the following reasons:

- (a) The Company has experienced significant growth and robust financial performance since the director fee pool was last approved 5 years ago in 2016.
- (b) The Company continues to grow in complexity and has significant global operations with a consequent increasing workload for directors, including the workload of those directors appointed to committees of the Board. Directors' workloads will increase with more legislative and regulatory changes being proposed, stakeholders' expectations increasing to consider and monitor a broader range of non-financial measures together with governing through the ongoing uncertainties of COVID-19.
- (c) To ensure the Company can offer competitive fees to attract and retain non-executive directors of a high calibre.
- (d) To allocate Board Committee Fees if and as required.

The Board considers, in light of the realities of the increased workloads and responsibilities undertaken by the Board and consideration of the Independent Report (as outlined below), that the proposed increased fees pool is fair and reflective of market conditions.

The table below sets out the director and Audit Committee Chair fees expressed on a per annum basis as at 30 June 2021, the expected fee allocations should the increase in the fee pool be approved, and the amount of the increase proposed.

Allocation	Current Fee	Proposed Fee	Increase
Chair	\$174,000	\$200,000	\$26,000
Directors (individually and excluding the Chair)	\$87,000	\$100,000	\$13,000
Chair of the Audit Committee (in addition to director fee)	\$25,000	\$25,000	No Change

Based on current Board membership, the proposed total annual fees payable would be \$625,000 leaving \$25,000 of the approved pool unallocated.

The actual allocation of directors' fees in each financial year is and will be reported in Skellerup's Annual Report.

The Board is committed to setting director fees in a transparent manner. Accordingly, it engaged PWC to complete an Independent Report to compare Skellerup directors' fees with comparator companies. A copy of PWC's report is available at <https://skellerupholdings.com/Annual-Meetings.php>. The directors recommend that shareholders vote to approve this resolution. However, non-executive directors and their Associated Persons (as that term is defined in the NZX Listing Rules) are prohibited from casting their own shareholding votes or discretionary proxy votes in favour of this resolution at the Annual Meeting, and any such votes will be disregarded by the Company.

#### Resolution 4: Remuneration of Auditors

The current auditors of the Company, Ernst & Young, will be automatically reappointed as the Company's auditor under section 207T of the Companies Act 1993. Under section 207S of the Companies Act 1993 auditors' fees and expenses must be fixed in the manner determined at the meeting. Shareholder approval is therefore sought for the Board to fix Ernst & Young's remuneration for the following year.

For and on behalf of the Board



**Elizabeth Coutts**

Chair  
Skellerup Holdings Ltd

Auckland  
09 September 2021