



## NOTICE OF ANNUAL MEETING

Notice is hereby given that the 58<sup>th</sup> Annual Meeting of shareholders of NZPM Group Limited (“the Company”), will be held on Friday 19 August 2022 at 4pm (or at a later time and date if the meeting is postponed or adjourned) as both an in-person and online virtual meeting as follows:

- **Novotel Lakeside Rotorua, 2 Tutanekai Street, Rotorua**
- **online via virtual meeting platform at [www.virtualmeeting.co.nz/nzpm22](http://www.virtualmeeting.co.nz/nzpm22)**

Afternoon tea will be served at the venue from 3:30pm.

### BUSINESS

A. Chair’s address

B. Annual Report

To receive and consider the Annual Report of the Company for the year ended 31 March 2022.

C. Resolutions

To consider and, if thought fit, to pass the following ordinary resolution:

1. That Mr Peter Faul, who retires by rotation and is eligible for re-election, be re-elected as a director of the Company.

2. Directors’ remuneration

That the total remuneration payable by the Company to its directors under clause 21.11.1 of the Company's Constitution be increased from \$517,000 per annum to \$563,250 per annum.

Refer to the explanatory notes on page 4 for further details on this Resolution.

3. To record the re-appointment of Deloitte as Auditors, and to authorise the Directors to fix their remuneration.

D. General Business

To consider such other business as may be lawfully raised at the meeting.

The minutes from the 2021 Annual Meeting are available at:

<https://bcast.linkinvestorservices.co.nz/NZPM/docs/2022/NZPMMinutes.pdf>

or email [shares@nzpm.co.nz](mailto:shares@nzpm.co.nz) to receive a copy.

## VOTING PROCESS

Voting at the meeting will be held by way of poll. A Transacting Shareholder entitled to attend and vote at the meeting may cast a postal vote by electronic means, by sending a scanned copy of the Voting Form to Link Market Services at the email address [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com) which must be received by Link Market Services or by advance online voting at <https://investorcentre.linkmarketservices.co.nz/voting/NZPM> **at least 48 hours before the time of the meeting** (i.e., at least before **4pm on Wednesday 17 August 2022**).

## PROXIES

A Transacting Shareholder entitled to attend and vote at the above meeting may appoint a Proxy to attend and vote on their behalf. A Proxy need not be a shareholder of the Company. A Proxy form is enclosed. You can also appoint your proxy online at <https://investorcentre.linkmarketservices.co.nz/voting/NZPM>. Proxies must be lodged by email to Link Market Services at [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com) or be appointed online **at least 48 hours before the time of the meeting** (i.e., at least before **4pm on Wednesday 17 August 2022**).

**By order of the Board of Directors**



**Brett Cruickshank**  
**Chief Financial Officer, Auckland**  
**29 July 2022**

Note: A shareholder will be a Transacting Shareholder if the shareholder holds Ordinary Shares and is actively trading with NZPM Group Limited or any of its subsidiaries (including Plumbing World Limited).

## **PROCEDURAL NOTES**

### **Voting and proxies**

Only Transacting Shareholders (as defined in the constitution) and directors of the Company holding ordinary shares are entitled to vote.

You may exercise your right to vote either by:

1. Voting in person at the meeting in Rotorua; or
2. being present online; or
3. appointing a proxy to attend and vote in your place; or
4. casting a postal vote.

To participate at the online meeting, use the following link to the virtual meeting platform [www.virtualmeeting.co.nz/nzpm22](http://www.virtualmeeting.co.nz/nzpm22).

Shareholders attending and participating in the online meeting will be able to vote and ask questions during the meeting. To vote online at the online meeting, you will need your holder number / voting control number, found on your proxy form, for verification purposes.

More information regarding online attendance at the meeting (including how to vote and ask questions online during the meeting) is available in the Virtual Annual Meeting Online Portal Guide, which is available at <https://bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf>.

### **Resolution requirements**

In order for the Resolutions to be passed, they must be approved by a simple majority of the votes of Shareholders entitled to vote and voting on the Resolutions, in person, online, by proxy, or by electronic postal vote.

### **Shareholder questions**

Shareholders can submit questions ahead of the meeting. If you would like to submit a question you can do so online or by using the enclosed proxy form. Questions should be received by **4pm on Wednesday, 17 August 2022**. The Company has the discretion as to which of these questions will be addressed at the meeting.

### **COVID-19**

Due to uncertainty surrounding the COVID-19 pandemic and potential associated restrictions on gatherings, the Company has elected to take the proactive step of holding the meeting as a hybrid (in-person and online) meeting to ensure the health and wellbeing of potential attendees. We appreciate the support and understanding of our shareholders with regard to these meeting arrangements.

## **EXPLANATORY NOTES**

### **Resolution 1: Director retirement and re-election**

Resolution 1 is an ordinary resolution. To pass, this resolution requires the approval of a simple majority (i.e., more than 50%) of the shareholders entitled to vote and voting on the matter. Only Transacting Shareholders (as defined in the constitution) and directors of the Company holding ordinary shares are entitled to vote.

Mr Peter Faul was elected in 2019. As three years have passed since his election as a director of the Company, Mr Faul is due to retire as a director of the Company by rotation.

Under the constitution, a retiring director of the Company is eligible for re-election. Being eligible, Mr Faul has offered himself for re-election. Mr Faul is the only candidate for the single elected director vacancy.

If this resolution is passed, Mr Faul will be re-appointed to the board of directors as an elected director for a term of three years.

***The Board has a policy of not making recommendations for the elections of directors.***

### **Resolution 2: Directors' remuneration**

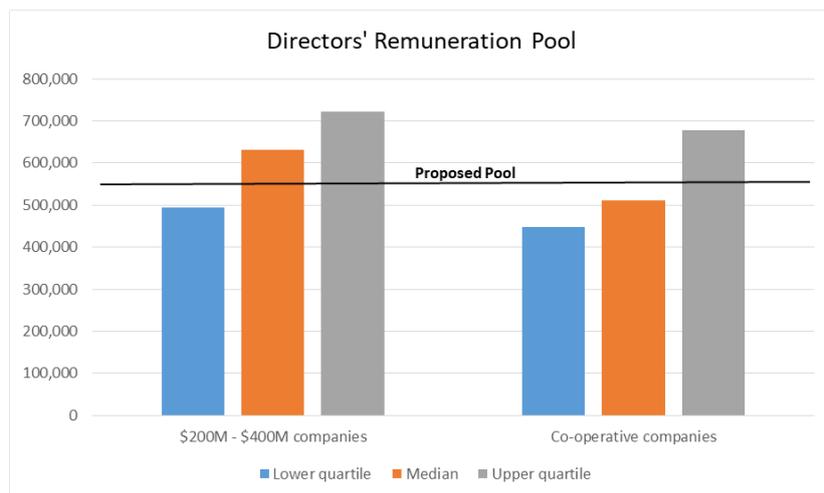
Resolution 2 is an ordinary resolution. To pass, this resolution requires the approval of a simple majority (i.e., more than 50%) of the shareholders entitled to vote and voting on the matter. Only Transacting Shareholders (as defined in the constitution) and directors of the Company holding ordinary shares are entitled to vote.

If this resolution is passed, the director remuneration pool will be increased with effect from the close of the annual meeting.

The directors' remuneration pool is presently \$517,000 per year. The remuneration pool was last fixed at the Annual Meeting on 23 September 2021 (at which time it was increased by \$22,000 from \$495,000).

The Board considered it appropriate to review the remuneration pool this year and commissioned Strategic Pay to make recommendations on the matter. Strategic Pay was asked to recommend an appropriate level of remuneration based on the complexity, size, industry and operations of the Company and market data available.

Strategic Pay analysed a range of data from companies with similar revenue and co-operative structure identifying the lower, median and upper quartile ranges for their samples. They then assessed an appropriate Market Median for an NZPM Board comprising seven directors to be \$532,000 plus a separate fee to the Chair of each Board Committee of \$6,250 each.



Strategic Pay recommends the Company adopts the Market Median having regard to the workload and responsibilities of the Company's directors.

The proposed resolution therefore seeks to set the remuneration pool at \$563,250, an increase of 8.9% from the current approved directors' remuneration pool.

The directors wish that the Company be able to attract and retain both elected and appointed directors by offering remuneration at market rates.

The proposed remuneration pool allows the company to increase the total number of directors from six to seven directors should the existing directors believe that is appropriate.

Under Clause 21.11.1 of the Company's Constitution, shareholders are required to approve an increase in the remuneration of directors.

***The Board recommends that shareholders vote in favour of this resolution.***

**Resolution 3: Re-appointment of Deloitte as Auditors, and to authorise the Directors to fix their remuneration.**

Resolution 3 is an ordinary resolution. To pass, this resolution requires the approval of a simple majority (i.e., more than 50%) of the shareholders entitled to vote and voting on the matter. Only Transacting Shareholders (as defined in the constitution) and directors of the Company holding ordinary shares are entitled to vote.

If this resolution is passed, the company will re-appoint Deloitte as auditor of the Company and that the directors be authorised to fix the fees and expenses of the auditors for the ensuing year.

***The Board recommends that shareholders vote in favour of this resolution.***