

Notice of Annual Meeting 2019

Notice is hereby given that the Annual Shareholders' Meeting 2019 (the 'Meeting') of Pushpay Holdings Limited ('Pushpay' or 'the Company') will be held at the Conference Centre, Level 2, 167 Victoria Street West, Auckland, New Zealand, on **Wednesday, 19 June 2019** commencing at **2:00 pm (NZT)**.

Items of business

A. Chairman's address

B. Chief Executive Officer's presentation

C. Shareholder questions

Consideration of any shareholder questions submitted prior to the Meeting (to the extent these questions have not already been addressed in the Chairman's address or the Chief Executive Officer's presentation) and any shareholder questions raised at the meeting. (See *Explanatory Note 1*)

D. Resolutions

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

Resolution 1: That the existing constitution of the Company is revoked, and the constitution tabled at the Meeting and referred to in Explanatory Note 2 is adopted as the constitution of the Company with effect on 1 July 2019. (See *Explanatory Note 2*)

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

Resolution 2: That Mr Christopher Heaslip, retiring from office as a Director of Pushpay by rotation and being eligible for re-election, be re-elected as a Director of Pushpay. (See *Explanatory Note 3*)

Resolution 3: That Mr Graham Shaw, retiring from office as a Director of Pushpay by rotation and being eligible for re-election, be re-elected as a Director of Pushpay. (See *Explanatory Note 3*)

Resolution 4: That Mr Peter Huljich, appointed by the Board as a Non-executive Director with effect on 8 May 2019, be elected as a Director of Pushpay. (See *Explanatory Note 4*)

Resolution 5: That the total amount of remuneration payable per annum to Non-executive Directors be increased from US\$450,000 to US\$650,000, to be paid and allocated to the Non-executive Directors as the Board considers appropriate and that any remuneration payable to Non-executive Directors may, at the Board's discretion, be paid either in part or in whole by way of an issue of ordinary shares in the Company. (See *Explanatory Note 5*)

Resolution 6: That the Board be authorised to fix the fees and expenses of Deloitte as auditor. (See *Explanatory Note 6*)

E. Other business

To consider any other matter raised by a shareholder at the Meeting.

Voting

Voting entitlements for the Meeting will be determined as at 7:00 pm (NZT) on Friday, 14 June 2019. Registered shareholders at that time will be the only persons entitled to vote at the Meeting and only the shares registered in those shareholders' names at that time may be voted at the Meeting. If you are entitled to vote and wish to do so in person, you should attend the Meeting and bring your Proxy Form with you to the meeting or download the LinkVote App on the Apple App Store or Google Play Store if you would like to vote during the meeting using your mobile phone. A corporation may appoint a person to attend the meeting as its representative in the same manner as a proxy is appointed.

Proxies

A Proxy Form is included with this Notice of Meeting. Any shareholder of Pushpay who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend the Meeting and vote on his or her behalf. A proxy need not be a shareholder of Pushpay.

A shareholder wishing to appoint a proxy can do so online in accordance with the instructions set out in the Proxy Form, or complete the accompanying Proxy Form and return it to Link Market Services Limited. To be a valid appointment of a proxy, a completed Proxy Form must be submitted to Link Market Services Limited by no later than 2:00 pm (NZT) on Monday, 17 June 2019. Please refer to the Proxy Form for ways that you can return your completed Proxy Form to Link Market Services Limited.

If you appoint a proxy, you may either direct your proxy how to vote for you or you may give your proxy discretion to vote as he or she sees fit. If you wish to give your proxy discretion, then you must mark the appropriate "Discretion" box(es) on the Proxy Form to grant your proxy that discretion.

If you do not tick any box for a particular resolution, or the form is otherwise unclear, then your instruction will be to abstain. If you mark more than one box on an item, your vote will be invalid on that item. If you do not appoint a proxy on your Proxy Form, your Proxy Form will be invalid. The Chair of the Meeting (and any Director appointed as proxy) intends to vote any discretionary proxies in favour of resolutions 1 to 6.

If you appoint a proxy, your proxy will have the discretion as to whether, and how, to vote on any procedural matters at the Meeting and on any resolution which is put to the Meeting and which is not set out above under "Resolutions".

Resolution requirements and voting restrictions

Resolution 1 is a special resolution, which requires approval by a majority of 75% or more of the votes of those shareholders entitled to vote and voting on the resolution, in person or by proxy.

Resolutions 2 to 6 are ordinary resolutions. In order for each of resolutions 2 to 6 to be passed as an ordinary resolution, it must be approved by a simple majority of the votes of shareholders who are entitled to vote and vote on the resolution, in person or by proxy.

There are no voting restrictions on resolutions 1 to 6.

Presentation materials

Copies of presentation materials from the Meeting will be released to the NZX and ASX, and available on Pushpay's investor website, just prior to the Meeting commencing.

On behalf of the Board,



Graham Shaw
Independent Chairman

29 May 2019

Explanatory notes

Note 1 – Shareholder questions

If you decide to vote online as per the instructions on the Proxy Form, you will be able to provide your questions as part of that process. Alternatively, please write your questions in the space provided on the Proxy Form and return it to Link Market Services as per the instructions on the Proxy Form. If you are joining the meeting via live webcast, you will be able to submit questions via the webcast platform, but you will not be able to vote via the webcast platform. Instructions on how to join the meeting via live webcast are set out on the Proxy Form.

Note 2 – Amendment of Constitution (Resolution 1)

On 1 January 2019, NZX introduced new Listing Rules (the ‘New Rules’). Each listed company is entitled to select a time between 1 January and 1 July 2019 at which it will transition to be governed by the New Rules, rather than by the rules previously in force (the ‘Previous Rules’). Pushpay has decided to transition to the New Rules with effect on 1 July 2019.

To comply with the New Rules, Pushpay needs to amend its constitution. It is also necessary to remove from the constitution references to the NZAX market, because Pushpay is now listed on the NZX Main Board. An amended constitution has been prepared. A copy, marked to show the changes from the existing constitution, is available at www.pushpay.com/investors/governance or may be obtained on request to Gabrielle Wilson at Pushpay, Level 6, Building D, 167 Victoria Street West, Auckland 1010 or by email to investors@pushpay.com.

A summary of the significant changes is set out below.

- **Director Rotation:** The rules requiring regular retirement and re-election of directors have been changed as follows:
 - Under the Previous Rules, one third of the directors, or the number nearest to one third, must retire at the annual meeting in each year, and are eligible for re-election. The directors to retire are those who have been longest in office.
 - Under the New Rules, a director may not hold office, without being re-elected, past the third annual meeting after his or her appointment or re-election, or for three years, whichever is the longer.

The Previous Rules provided that executive directors were not required to retire by rotation. That exception has been removed. The requirement that the term of appointment of an executive director not exceed five years has also been removed.

The provisions of the constitution as to director rotation based on the Previous Rules (clauses 18.6 and 18.7) have been deleted, and a provision has been added stating that the directors must comply with the provisions of the listing rules as to rotation (the new clause 18.6(b)). Clause 20 relating to managing directors has also been amended to reflect the change made by the New Rules.

- **Voting at Meetings:** The New Rules require that all voting at shareholders’ meetings must be conducted by way of a poll. A provision has been added to the constitution that the chairperson of a shareholders’ meeting will always require a poll to be conducted (clause 15.8).

The New Rules also require that any resolution for the election of a director must relate to one director only. A provision in the constitution contrary to this (clause 18.8) has been deleted. The Company is required to comply with the New Rules in this respect by clause 2.4.

- **NZAX:** References in the constitution to the NZAX market have been deleted.
- **Other Changes:** Changes to the definitions in the constitution, and various other less significant wording changes, have been made to reflect the provisions of the New Rules and to correct minor issues, and references to legislation which is now no longer in force have been updated.

Note 3 – Re-election of Directors (Resolutions 2 and 3)

As noted above, Pushpay will remain subject to the Previous Rules until 1 July 2019. Pursuant to clause 18.6 of Pushpay's constitution and NZX Main Board Listing Rule 3.3.11 (of the Previous Rules), subject to certain exceptions at least one third of Pushpay Directors (or if their number is not a multiple of three, the number nearest one third) must retire by rotation at each annual meeting, although they may offer themselves for re-election if they wish. The Directors required to retire are those who have been longest in office since their last election.

Each of Mr Christopher Heaslip and Mr Graham Shaw will retire as a Director of Pushpay by rotation at the Meeting in accordance with NZX Main Board Listing Rule 3.3.11 and each offers himself for re-election at the Meeting. The Board unanimously supports the re-election of both Mr Heaslip and Mr Shaw as Directors of Pushpay.

Mr Heaslip is not an Independent Director. Mr Shaw is an Independent Director.

Relevant experience of the candidates offering themselves for re-election at the Meeting is set out below:



Christopher Heaslip | Non-executive Director

Chris Heaslip is a Co-Founder of Pushpay, and until 31 May 2019, he was also an Executive Director and CEO of Pushpay. Chris was appointed as an Executive Director of Pushpay on 25 July 2011.

Along with his Co-Founder Eliot Crowther, Chris envisioned a fast, simple and secure giving solution, that could simultaneously provide a platform for increased generosity, while simplifying business processes and reducing costs.

Chris has worked in and for a number of SMEs and corporate organisations to develop effective and efficient systems and optimal accounting treatment.

He has previously served as CEO of an accounting and tax consultancy and prior to that as a tax management professional and business adviser at KPMG. Chris was also an investigator at the New Zealand Inland Revenue Department.

Chris has a BCom, GradDipCom and a MTax (Hons) all from the University of Auckland. Chris lives with his family in Seattle.



Graham Shaw | Independent Chairman

Graham Shaw was appointed as an Independent Director of Pushpay on 22 January 2015.

Graham is a chartered accountant with over 35 years' experience in business. He sits on a number of corporate and non-profit boards, and has extensive SaaS governance experience including board representation at Xero for eight years and more recently at Gentrack.

He spent 10 years with KPMG working primarily as an advisor to businesses. He then joined Works Infrastructure where he held a number of finance roles before being appointed Chief Executive Officer, leading the company to substantial growth and successful expansion into Australia. Graham has also been Chief Executive Officer of Kensington Swan, one of New Zealand's national law firms.

Graham has a BCom from the University of Canterbury, is a Fellow of Chartered Accountants Australia and New Zealand, a Chartered Member of the Institute of Directors in New Zealand, a member of the Institute of Managers and Leaders and a Companion of Engineering New Zealand. Graham lives with his family in Wellington.

Note 4 – Election of Director (Resolution 4)

Mr Peter Huljich was Alternate Director for Christopher Huljich between 7 November 2018 and 8 May 2019, before being appointed by the Board as a Director of Pushpay with effect on 8 May 2019. Under NZX Main Board Listing Rule 3.3.6 (of the Previous Rules), Mr Huljich is required to retire from office as a Director at the Meeting and offers himself for election by the shareholders at the Meeting. The Board unanimously supports the election of Mr Huljich.

Mr Huljich is not an Independent Director.

Mr Huljich's experience is set out below:



Peter Huljich | Non-executive Director

Peter was appointed as a Non-executive Director of Pushpay with effect on 8 May 2019. Peter was previously the Alternate Director of Pushpay for Christopher Huljich.

Peter is an investment professional with over 18 years' experience. He is a Partner at the Huljich family's investment firm, Christopher and Banks. Peter actively manages the firm's interests, which include property, listed equities and unlisted equities, primarily in Australasia and the Americas, with a focus on enduring technology companies with global reach.

Peter co-founded Huljich Wealth Management in 2007, which managed the largest KiwiSaver Scheme (in terms of members) with a 100% New Zealand owned manager. He served in a number of roles including Chief Executive Officer and Chief Investment Officer, prior to the KiwiSaver business being acquired by Fisher Funds Management in 2011. Peter has experience serving on a number of listed and unlisted boards including Mike Pero Mortgages, Sugar International and Diligent Board Member Services.

Peter holds a BCom from the University of Auckland, a DipNZX from Kaplan and a DipInvRel from the Australasian Investor Relations Association. He is also a Member of the Institute of Directors in New Zealand and is a Fellow of FINSIA. Peter lives with his family in Auckland.

Note 5 – Non-executive Director remuneration (Resolution 5)

Non-executive Director remuneration

Under NZX Main Board Listing Rule 3.5.1 (of the Previous Rules) the maximum aggregate annual remuneration that can be paid to Non-executive Directors must be approved by shareholders by way of an ordinary resolution.

Resolution 5 seeks shareholder approval to an increase in Non-executive Director remuneration and expresses the Directors' remuneration as a monetary sum payable to all Non-executive Directors taken together per annum. Executive Directors do not receive Directors' fees but are remunerated as employees. Mr Bruce Gordon, Pushpay's new CEO, is currently the sole Executive Director.

The total quantum which is currently available to pay Non-executive Director fees is US\$450,000 which, at the Board's discretion, may be paid either in part or in whole by way of an issue of ordinary shares in the Company. This amount and method of remuneration was approved by shareholders at the annual meeting of shareholders held on 14 July 2016.

Pushpay's focus remains on continuing to grow its business. To assist with its growth plans and goals, Pushpay wishes to broaden the skillset and global coverage of the Board. The Board is actively searching for additional Directors and is considering suitably qualified candidates of diverse background and experience.

The Board believes that the increase in the aggregate amount available to pay Non-executive Directors from US\$450,000 to US\$650,000 will enhance the Board's ability to retain and attract Directors of the highest calibre, including in the US market, to best represent shareholders' interests and help achieve Pushpay's business objective.

The increase in the remuneration cap will also enable Pushpay to bring its Non-executive Director remuneration more closely into line with current market rates, particularly those in overseas markets such as the US.

The Board currently intends to allocate the aggregate pool of Directors' fees to Non-executive Directors based on their responsibilities, as set out below:¹

Role / Pool	Current Fees	Proposed Allocation
Independent Chair	US\$88,200	US\$82,320
Non-executive Director base fee	US\$34,300 New Zealand Non-executive Director US\$47,250 United States Non-executive Director	US\$41,160 New Zealand Non-executive Director US\$56,700 United States Non-executive Director
Additional fee above the base fee for the chair of the Nominations and Remuneration Committee and the Technology, Innovation and Intellectual Property Committee	US\$6,300	US\$8,400
Additional fee above the base for the chair of the Audit and Risk Management Committee	US\$7,000	US\$8,400
Additional fee above the base fee for the non-chair members of the Audit and Risk Committee, the Nominations and Remuneration Committee and the Technology, Innovation and Intellectual Property Committee	US\$4,200 New Zealand non-chair member US\$6,300 United States non-chair member	US\$5,040 New Zealand non-chair member US\$7,560 United States non-chair member
Special annual pool, to provide flexibility for the remuneration of Non-executive Directors who assume additional responsibilities throughout the year and, also, to potentially provide additional remuneration to Non-executive Directors who join the Board (if the Board considers it appropriate to do so)	US\$75,000	US\$75,000

The remaining unallocated balance of the fee pool may be applied by the Board, if it believes it appropriate to do so, to provide additional remuneration to Non-executive Directors who join the Board.

¹ An assumed exchange rate is used to convert the USD rate to NZD for New Zealand resident Non-executive Directors. For the year to 31 March 2020 the assumed rate adopted is \$0.66 USD:NZD.

Issue of ordinary shares as Non-executive Director remuneration

NZX Main Board Listing Rule 3.5.1 (of the Previous Rules) provides that any resolution to increase the remuneration payable to Non-executive Directors may expressly provide that the remuneration may be payable either in part or in whole by way of an issue of Equity Securities (as defined in the Previous Rules) provided that the issue complies with NZX Main Board Listing Rule 7.3.8 (of the Previous Rules).

Consistent with these requirements, resolution 5 also seeks shareholder approval to the issue of ordinary shares to Non-executive Directors in part or in whole payment of the remuneration payable to Non-executive Directors, at the discretion of the Board.

NZX Main Board Listing Rule 7.3.8, as it applies to an issue of ordinary shares by Pushpay to a Non-executive Director, requires, among other things, that:

- the ordinary shares are issued after the end of the period (or half period) to which the remuneration of the Non-executive Director relates; and
- the issue price of the ordinary shares is the volume weighted average market price of the shares over the 20 trading days prior to the issue.

The value of the ordinary shares at the time of issue, taken together with all other Non-executive Director remuneration, cannot exceed the then applicable Non-executive Director remuneration cap (as contemplated by resolution 5 or any subsequent resolution passed by shareholders).

The Board considers it to be in Pushpay's interests to provide the Board the discretion to remunerate Non-executive Directors in part or in whole by way of the issue of ordinary shares as outlined above rather than solely by cash.

The Board believes that providing remuneration to Non-executive Directors in the form of ordinary shares assists to more effectively align the interests of the Non-executive Directors with those of shareholders. Non-executive Director remuneration in this form can assist to motivate and reward long-term decision making with the aim of creating and maximising shareholder value over the longer term.

Further, in the overseas markets in which Pushpay operates, particularly in the US, remunerating Directors by way of equity participation is common. As part of Pushpay's growth strategy, it is important that the Board is able to attract and retain high quality Directors that are experienced in, and knowledgeable about, Pushpay's key markets. Being able to compensate these Directors in line with the relevant market expectations is seen as fundamental to this objective.

Note 6 – Auditor's remuneration (Resolution 6)

Deloitte is automatically reappointed as auditor of Pushpay under section 207T of the Companies Act 1993. Resolution 6, if passed by shareholders, would authorise the Board to fix the fees and expenses of the auditor.

Further information

If you have any questions or require further information in relation to the Meeting, please contact investors@pushpay.com.