

# NOTICE OF 2022 ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 2022 Annual Shareholders' Meeting of Steel & Tube Holdings Limited (the "Company" or "Steel & Tube") will be held as follows:

**Date and time:** Friday 30 September 2022, commencing at 10.30am

**Venue:** Pakuranga Hunt Room, Ellerslie Event Centre, 80-100 Ascot Avenue, Ellerslie, Auckland

**Online:** <https://meetnow.global/nz>

Steel & Tube may, in its sole discretion, elect to hold the Annual Shareholders' Meeting as an online-only meeting if it considers there are potential risks to the health of meeting attendees or if an in-person meeting is prohibited by law. 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.

Dear Shareholder

On behalf of the Board and Management of Steel & Tube, we are delighted to invite you to attend our Annual Meeting on Friday 30 September 2022. This is an opportunity for you to meet the Directors and Management team and hear more about Steel & Tube's strategy and our progress.

We were pleased to deliver a record result for FY22, as we benefit from a strong business foundation, clear strategy for growth, and the efforts of our great team of people.

You are able to attend the meeting in person or online. Included in this Notice of Meeting are instructions on how to have your say by voting on resolutions. If you cannot attend, we encourage you to complete and lodge the proxy form in accordance with the instructions on the back of that form.

We encourage shareholders to receive communications from Steel & Tube by email. This ensures you receive communications in a timely manner, saves money and is better for the environment. To sign up for email communications, please follow the instructions on the top of page 2 of the proxy form.

We look forward to updating you on our progress and our strategy at the Meeting.

Ngā mihi

Susan Paterson  
Chair

## AGENDA

1. CHAIR AND MANAGEMENT PRESENTATIONS

2. SHAREHOLDER DISCUSSION

3. RESOLUTIONS:

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

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### RESOLUTION 1: AUDITORS REMUNERATION

That the Directors be authorised to fix the fees and expenses of KPMG as the company's auditor.

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### RESOLUTION 2: RE-ELECTION OF JOHN BEVERIDGE

That John Beveridge, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.

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### RESOLUTION 3: ELECTION OF ANDREW FLAVELL

That Andrew Flavell, who was appointed as a Director by the Board during the year, be elected as a Director of the Company.

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### RESOLUTION 4: DIRECTORS' REMUNERATION

To authorise, for the purpose of NZX Main Board Listing Rule 2.11, an increase in the total amount of remuneration payable per annum to non-executive Directors from \$575,000 to \$642,500 an increase of \$67,500 (12% - an average of 2.3% per annum for the past five years), to be paid and allocated to the non-executive Directors as the Board considers appropriate.

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Further information relating to the resolutions is set out in the Explanatory Notes to this Notice of Meeting.

4. OTHER BUSINESS

The Board and Management invite attendees to join them for light refreshments at the end of the Meeting.

By Order of the Board of Directors



Richard Smyth  
Authorised Officer

1 September 2022

### IMPORTANT DATES AND TIMES

- **Latest time for receipt of proxy forms:**  
10.30am on Wednesday 28 September 2022
- **Time for determining voting entitlement at the Meeting:**  
5.00pm on Wednesday 28 September 2022
- **Annual Meeting:**  
10.30am on 30 September 2022

## EXPLANATORY NOTES

In these explanatory notes, references to “Listing Rules” are to the NZX Listing Rules. Resolutions 1 to 4 are Ordinary Resolutions and require approval by a simple majority (greater than 50%) of the votes of those shareholders entitled to vote and voting on the resolution.

### RESOLUTION 1: AUDITOR’S REMUNERATION

Under section 207T of the Companies Act 1993, KPMG is automatically reappointed as the auditor of the company. This resolution authorises the Board to fix the fees and expenses of the auditor in accordance with section 207S of the Companies Act 1993.

#### Election and Re-Election of Directors

The Listing Rules provide that a Director must not hold office (without re-election) past the third annual meeting after his or her appointment or re-election, or for three years, whichever is longer. Accordingly, John Beveridge retires by rotation and, being eligible, has offered himself for re-election.

The Listing Rules require that any person who is appointed as a Director by the Board shall retire from office at the next Annual Shareholders’ Meeting but shall be eligible for election at that meeting. Andrew Flavell was appointed to the Board during the year and accordingly is standing for election by shareholders.

The Board has a skills matrix which identifies the skill set which the Board believes adds value to Steel & Tube. Directors’ capabilities are considered as a collective against this skills matrix and the Board believes that the current Directors offer valuable and complementary skill sets. Importantly, the majority of Steel & Tube’s Directors have either worked in, or are involved in directorships, in the sector.

### SKILLS MATRIX

DIRECTOR EXPERTISE	High	Moderate
Governance	● ● ●	● ●
People, Culture and ER	● ● ●	● ● ●
Digital Technology and Change	●	● ● ●
Logistics, Supply Chain & Procurement	● ●	● ● ● ●
Steel Industry	● ●	● ●
M&A	●	● ● ● ●
HSQET and associated systems	● ● ●	● ●
Sales Marketing and Brand	● ●	● ●
Commercial	● ● ● ●	● ●
Financial Acumen (F&A)	● ●	● ● ● ●
Manufacturing	● ● ●	●
Construction/ Infrastructure	● ● ●	
Business Turnaround	● ● ●	● ● ●



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## RESOLUTION 2: RE-ELECTION OF JOHN BEVERIDGE

**Appointed:** 14 August 2019

**Board Roles:** Independent Director. Member Quality, Health, Safety & Environment Committee. Member Audit and Risk Committee. Member Nomination Committee.

John has held senior roles in steel distribution and steel manufacturing, including as CEO of Placemakers. Over a 30 year career, he held leadership roles in large firms such as Lion Nathan and Barclays Bank. He currently sits on the boards of Horizon Energy Group, NZ Scaffolding Group (Chair) and Door+Window Systems Auckland.

The Board unanimously supports John's re-election.

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## RESOLUTION 3: ELECTION OF ANDREW FLAVELL

**Appointed:** 1 October 2021

**Board Roles:** Independent Director. Member Audit and Risk Committee. Member Nomination Committee.

Andrew Flavell was appointed in October 2021. He has extensive international experience in the Information Technology space, having previously held leadership roles at both Microsoft and Nike in the USA. He has led large teams driving digital transformations and delivering compelling consumer experiences and has experience in distributed computing, Personalization and Loyalty, Privacy and Security, and AI and machine learning. In the roles he has held over the past 30 years he has also contributed significantly to risk management and governance in the application of digital technologies. Andrew's extensive experience is of significant value to Steel & Tube and meets a need identified in the Board skills matrix.

The Board unanimously supports Andrew's election.

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## RESOLUTION 4: INCREASE IN DIRECTORS' REMUNERATION

Steel & Tube's Policy is to offer competitive Directors' fees to attract and retain high quality, appropriately skilled Directors, who will best add value to the Company. Total remuneration was last approved by shareholders in November 2017. Since that time, the company has successfully completed a re-set and turn around programme, which is reflected in the significant structural changes in the business and the record results delivered in FY22. The Board has been refreshed and has recently expanded from five to six Independent Directors.

The Board undertakes regular reviews with the most recent external view conducted in 2021. Feedback highlighted strengths of the Board including:

- Business turnaround: great progress made and on a positive trajectory
- Board Culture: collegial culture and excellent approach from the Chair in encouraging free expression of views
- Engagement with Management: Management positive and appreciative of the Board's approach

An increase in Directors' remuneration requires shareholder approval by Ordinary Resolution, in accordance with Listing Rule 2.11.

Steel & Tube engaged the NZ Institute of Directors to provide market data and make recommendations on appropriate Director remuneration levels, taking into consideration other NZX listed companies of similar size, turnover and market capitalisation, as well as those in a similar sector. A summary of the report can be viewed on the Steel & Tube website at <https://steelandtube.co.nz/investor/annual-meetings>.

The Board recommends that the total Directors' remuneration payable annually to all Non-Executive Directors taken together for their services as Directors of the Company be increased by \$67,500 per annum, from \$575,000 (which was approved in November 2017) to \$642,500. This reflects an increase in aggregate fees of 12% (an average increase of 2.3% per annum) over the past five years. This is in line with the level recommended in an independent remuneration report from the NZ Institute of Directors. The increase, with approval of this resolution by shareholders, will take effect for the FY23 financial year.

The Board believes the proposed increase is fair and reasonable to the Company and shareholders and will help to attract and retain highly qualified and suitably experienced Directors to the Board.

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

<b>Role</b>	<b>Quantity</b>	<b>Current allocation</b>	<b>Proposed allocation</b>	<b>Amount of increase</b>
Chair	1	\$145,000	\$165,000	\$20,000
Committee Chair – Audit & Risk; QHSE	2	\$10,000	\$15,000	\$5,000
Committee Chair – People & Culture	1	\$5,000	\$10,000	\$5,000
Director Fees	5	\$75,000	\$87,500	\$12,500
Special Pool	-	\$30,000	-	-
<b>Total</b>		<b>\$575,000</b>	<b>\$642,500</b>	<b>\$67,500</b>

## PROCEDURAL NOTES

### ENTITLEMENT TO VOTE

The only persons entitled to vote at the Annual Meeting are registered shareholders of the Company at 5pm on Wednesday 28 September 2022 and only the shares registered in those shareholders' names at the time may be voted at the Meeting in person or by proxy.

Under NZX Listing Rule 6.3, all Directors intended to receive a payment under Resolution 4 and their Associated Persons (as that term is defined in the Listing Rules) are prohibited from voting in favour of Resolution 4. If you appoint such a Director or any person who is an Associated Person of such a Director as your proxy, that person will only be able to vote on Resolution 4 in accordance with your express instructions. The Directors cannot exercise their discretion on how to vote on Resolution 4 given that the resolution relates to approving their remuneration.

### PROXIES AND CORPORATE REPRESENTATIVES

Any shareholder who is entitled to vote at the Annual Meeting may appoint a proxy (or in the case of a corporate shareholder, a representative) to attend and vote on their behalf. A proxy does not have to be a shareholder in the Company. A shareholder may appoint the Chair of the Meeting, or another person, to act as proxy.

A shareholder wishing to appoint a proxy can do so by:

- Completing the enclosed Proxy/Voting Form and returning it by mail, email or fax to Computershare Investor Services Limited; or
- Appointing a proxy online at [www.investorvote.co.nz](http://www.investorvote.co.nz) in accordance with the instructions set out in the enclosed Proxy/Voting Form

so as to ensure it is received by 10.30am on Wednesday 28 September 2022 (being 48 hours before the time for holding the Annual Meeting).

The contact details for Computershare Investor Services Limited are:

Private Bag 92119, Auckland 1142, New Zealand

Fax +64 9 488 8787

Email: [corporateactions@computershare.co.nz](mailto:corporateactions@computershare.co.nz)

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 s/he sees fit. If you wish to give your proxy discretion, you must mark the appropriate boxes 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 proxy will abstain from voting. If you mark more than one box on an item, your vote will be invalid on that item.

If, in appointing a proxy, you inadvertently do not name someone to be your proxy (either online or on the enclosed proxy form), or your named proxy does not attend the meeting, the Chair of the meeting will be your proxy and will vote in accordance with your express direction.

The Chair and the Directors intend to vote proxies granted to them and marked 'Proxy Discretion' in favour of the resolutions. In accordance with NZX Listing Rule 6.3.1, all Directors intended to receive a payment under Resolution 4 and their Associated Persons (as that term is defined in the NZX Listing Rules) are prohibited from voting in favour of Resolution 4. If you appoint such a Director or any person who is an Associated Person of such a Director as your proxy, that person will only be able to vote on Resolution 4 in accordance with your express instructions.

Please see the Proxy/Voting Form for further details and instructions.

## **PARTICIPATING ONLINE**

As well as attending the Meeting in person, shareholders are also able to attend the meeting virtually through the Computershare Meeting Platform <https://meetnow.global/nz>.

Select the Steel & Tube meeting and click 'JOIN MEETING NOW'. Shareholders will be able to view the presentations, vote on the resolutions to be put to shareholders and submit questions, by using their own computers or mobile devices.

To participate online, you will require your Shareholder Number (which can be found on your Proxy Form) and your postcode for verification purposes.

Please refer to the Virtual Meeting Guide available at [www.computershare.com/vm-guide-nz](http://www.computershare.com/vm-guide-nz) for more information.

Shareholders are encouraged to review this guide before seeking to access the online Meeting.

## **QUESTIONS**

Steel & Tube offers a facility for shareholders to submit questions to the Board in advance of the Annual Meeting. Questions should be relevant to matters at the Annual Meeting, including matters arising from the financial statements, general questions regarding the performance of the Company, and questions which relate to the resolutions. The Company has the discretion as to which of these questions will be addressed at the Annual Meeting.

Please submit questions by email to: [investor@steelandtube.co.nz](mailto:investor@steelandtube.co.nz). Please write 'Questions from Shareholders' in the subject line of the email.

There will also be the opportunity for shareholders and proxy holders to ask questions during the Annual Meeting, both in person and online.

## **MEETING PRESENTATION AND ANNUAL REPORT**

The Meeting presentations and voting results will be released to the NZX and published on the Company website at: <https://steelandtube.co.nz/investor/annual-meetings>.

A copy of Steel & Tube's latest Annual Report is publicly available, and copies of future Shareholder Reports will be available, on the company website at <https://steelandtube.co.nz/investor/reports>.

You may, at any time, request a free copy of the most recent and future Shareholder Reports. If you wish to do so, please update your communication preferences by visiting the Computershare Investor Centre at [www.investorcentre.com/nz](http://www.investorcentre.com/nz). Existing users should login and update their communication preferences in the 'My Profile' page. For new users, click on 'Register Now' and follow the steps to create your User ID and password. After that, you will access the service with your own User ID. Alternatively, your request can be emailed to [ecomms@computershare.co.nz](mailto:ecomms@computershare.co.nz) (Please use "STU Report" as the subject line for easy identification) or by contacting Computershare on (09) 488 8777 between 8.30am and 5.00pm Monday to Friday.