



**CDL INVESTMENTS NEW ZEALAND LIMITED**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

Notice is given that the Annual Meeting of CDL Investments New Zealand Limited (“the Company” or “CDI”) will be held on Tuesday 28 May 2024 commencing at 10.00am (New Zealand time) at Grand Millennium Auckland, 71 Mayoral Drive, Auckland, New Zealand and virtually via the online platform provided by CDI’s share registrar, Computershare Investor Services Limited, at <https://meetnow.global/nz>.

**BUSINESS**

**Chairman’s Welcome and Introduction**

**Chief Executive’s Review**

**Resolutions**

**1 To re-elect director**

In accordance with the Company’s Constitution, **Vincent YEO**, retires by rotation and, being eligible, offers himself for re-election.

(See Explanatory Notes for more information and profile)

**2 To re-elect director**

In accordance with the Company’s Constitution, **Desleigh JAMESON**, retires by rotation and, being eligible, offers herself for re-election.

(See Explanatory Notes for more information and profile)

**3 Directors remuneration – proposed increase**

That the aggregate maximum annual remuneration for directors be increased from NZ\$180,000 to NZ\$300,000, to be paid and allocated to the Directors as the Board considers appropriate.

(See Explanatory Notes for more information)

**4 Auditor’s remuneration**

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

***“That the Board of Directors be authorised to fix the auditor’s fees and expenses”.***

(See Explanatory Notes for more information)

**General Business**

By Order of the Board

Takeshi Ito  
Company Secretary  
30 April 2024

## **PROCEDURAL NOTES**

### **Entitlement to vote**

You are entitled to vote at the Annual Meeting if you have a shareholding at 5.00pm on Friday 24 May 2024 (New Zealand time).

In accordance with the NZX Listing Rules, CDI will disregard any votes cast in favour of Resolution 3 (Directors' remuneration) by any director and their "associated persons" (as defined under the NZX Listing Rules). However, this restriction does not apply where a director is casting votes in accordance with an express instruction to vote for or against the resolution from a person who is not disqualified from voting. Directors holding a discretionary proxy may not exercise any discretionary proxy votes on the resolution.

Because the Company's majority shareholder, Millennium & Copthorne Hotels New Zealand Limited, is an "associated person" of Messrs Kwek and Yeo, it will not vote on Resolution 3.

There are no other restrictions on any shareholder or group of shareholders to prevent them from exercising their vote on any of the other resolutions being considered at the meeting.

### **Proxies and Corporate Representatives**

Shareholders entitled to attend and vote at the Annual Meeting may appoint a proxy (or representative, in the case of a corporate shareholder) to attend (either in person or virtually) and vote on their behalf. A proxy need not be a shareholder of the Company. The appointment of a proxy or representative does not preclude a shareholder from attending the Annual Meeting and voting.

The Chair of the meeting, or any other director, is willing to act as proxy for any shareholder who wishes to appoint him or her to vote on their behalf. If you appoint the Chair of the meeting, or any other director, as your proxy and do not direct him or her how to vote in the proxy form, the Chair of the meeting, or that other director, will vote in favour of all of the resolutions set out in this Notice. To appoint the Chair of the meeting or another director as your proxy, enter 'the Chair' or the name of that other director you wish to appoint in the space allocated in 'Step 1' of the proxy form enclosed with this Notice. Alternatively, to appoint a proxy online (or in the case of a corporate shareholder, a representative), the shareholder must make that appointment online by visiting [www.investorvote.co.nz](http://www.investorvote.co.nz). A shareholder will be taken to have signed the proxy form by lodging it in accordance with the instructions on the website. Please note that because of the voting restriction discussed above relating to Resolution 3 (Directors' remuneration), any director appointed proxy (including the Chair) will only be able to vote on that resolution with an express instruction to vote for or against the resolution.

If you do not name a person as your proxy but otherwise complete the proxy form in full, or you appoint a proxy but your named proxy does not attend the meeting (whether in person or virtually), the Chair of the meeting will be appointed your proxy. When acting as proxy in these circumstances, the Chair of the meeting will:

- vote in accordance with your express direction; and
- for any resolutions where you have selected "proxy discretion", vote in accordance with his or her discretion (subject to any applicable voting restrictions).

Proxy forms must be received by the Company's share registrar, Computershare Investor Services Limited (contact details for which are set out on the proxy form), by 10.00am on Sunday 26 May 2024 (New Zealand time). A proxy form is enclosed with this Notice.

**All resolutions for consideration at the Annual Meeting are ordinary resolutions and must be passed by a simple majority of the votes of those shareholders entitled to vote and voting on the resolutions.**

### **How to attend the meeting online**

In addition to attending in person, shareholders can attend the meeting virtually through the Computershare meeting platform <https://meetnow.global/nz>.

To access the meeting, click 'Go' under the CDI meeting and then click 'JOIN MEETING NOW'. By using the meeting platform, you will be able to watch the meeting, vote and ask questions online using your smartphone, tablet or desktop device. 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.

You will need the latest version of Chrome, Safari or Edge to access the meeting. Please ensure your browser is compatible. If you have any questions, or need assistance with the online process, please contact Computershare Investor Services Limited on +64 9 488 8777 between 8.30am and 5.00pm Monday to Friday (New Zealand time). Audio will stream through the selected device, so shareholders will need to ensure that they have the volume control on their headphones or device turned up. Shareholders will be able to view the presentations, vote on the resolutions to be put to shareholders and ask questions, by using their own computers or mobile devices. Shareholders will still be able to appoint a proxy to vote for

them, as they otherwise would, by following the instructions on the proxy form and this Notice of Annual Meeting. Details of how to participate 'virtually' are provided in the Virtual Meeting Guide, with instructions for accessing the virtual meeting. Shareholders are encouraged to review this guide prior to the Annual Meeting. Shareholders will require their CSN/Shareholder Number, which can be found on their proxy form, for verification purposes.

**If you are attending the meeting in person**

The Hotel has car parking space on site for a fee but spaces are limited. Alternatively, shareholders can use the Civic Carpark building in Aotea Square. If you are taking public transport, Grand Millennium Auckland is close to stops 1078, 1084 (Mayoral Drive) and 1364 (Greys Avenue) and a short walk from stops 7059 and 7060 (Town Hall).

**EXPLANATORY NOTES**

**Resolution 1 –Re-election of director:**

**Vincent YEO**

Mr. Yeo is Chief Executive Officer and Executive Director of M&C REIT Management Limited. From 1993 to 1998, he was Managing Director of CDL Hotels New Zealand Limited (now Millennium & Copthorne Hotels New Zealand Limited) and CDL Investments New Zealand Limited. He previously also served as an Executive Director of Millennium & Copthorne Hotels plc in London and President, Millennium & Copthorne Hotels Asia Pacific Region.

Mr. Yeo was last elected as a director at the 2021 annual meeting of shareholders.

The Board has determined that Mr. Yeo is not an Independent Director as defined under the NZX Listing Rules because of his association with the majority shareholder of the Company.

**The Board unanimously recommends shareholders vote in favour of the re-election of Mr. Yeo.**

**Resolution 2 –Election of director:**

**Desleigh JAMESON**

Ms. Jameson is currently the Chief Executive and Owner of Gubb & Hardy Limited, a wholesale contributory mortgage company. She has extensive senior managerial experience as the former Chief Executive / Executive Director of e-commerce firms Instra Corporation and CentralNic plc and governance experience as the former Chair of the charity Starjam and board member of the Industry Training Federation for several years. She is a current member of the Institute of Directors and holds an Executive MBA from the University of Auckland.

Ms. Jameson was elected as a director at the 2021 annual meeting of shareholders and was appointed as Board Chair in March 2024.

The Board has determined that Ms. Jameson is an Independent Director as defined under the NZX Listing Rules.

**The Board unanimously recommends shareholders vote in favour of the re-election of Ms. Jameson.**

**Resolution 3 –Directors Remuneration**

This resolution seeks shareholder approval to increase the total annual remuneration available to all directors of CDI for their services as directors ("fee pool") by \$120,000. The total fee pool is currently \$180,000. The total fee pool was approved by resolution in 1996. This current resolution proposes that the total fee pool increases to \$300,000. This change requires shareholder approval under NZX Listing Rule 2.11.1(a).

CDI's current director remuneration, approved by the Board in 2019, is as follows:

Base Fee	\$30,000
Additional fee for the Chair	\$5,000
Additional fee for Chair of the Audit Committee	\$5,000

Accordingly, currently the total fees paid amount to \$130,000 and are within the current shareholder-approved limit of \$180,000.

## Reasons for proposed increase

The total fee pool was last increased more than 25 years ago, in 1996. The Board considers that, after such a long period and after taking into account inflation over the years, it is appropriate to now increase the total fee pool.

As part of considering whether to propose to shareholders an increase in the total fee pool and, if so the amount of the increase, the CDI Board engaged the Institute of Directors ("IOD") to conduct an independent review of CDI's director remuneration. The IOD's report can be viewed on CDI's website at [https://cdlinvestments.co.nz/corporate\\_profile/](https://cdlinvestments.co.nz/corporate_profile/)

The IOD's review took into account:

- the level of fees compared against the latest market data relevant to CDI's organisation type (being the IOD's latest directors' fees survey and, where available, research of fees in comparative organisations);
- the nature and complexity of CDI's industry and operating environment; and
- the scope and time commitment required by directors.

Key conclusions from IOD's report were that:

- the IOD recommended that director fees be increased slightly to align with the wider market increase since the Company's fees were last reviewed in 2018;
- the existing chair premium of 1.1x is low in comparison to the comparator survey data and therefore the IOD recommended that this premium is increased to 1.4x to reflect added responsibilities of the role;
- the additional duties and time commitments of the Audit Committee Chair role are high in comparison to that of committee members and therefore the IOD recommended that an increase of 1.2x over the director fee be applied to reflect this; and
- the IOD's fee range recommendations were:

<u>Fee category</u>	<u>CDI's current director remuneration</u>	<u>IOD recommended fee range</u>
Base directors' fee	\$30,000	\$33,500 - \$35,000
Chair fee	\$35,000	\$46,000 - \$49,000
Committee chair fee	\$5,000 (Audit Committee Chair only)	\$6,500 - \$7,000

In accordance with the findings in the IOD report, the Board considers that the current fee pool limit does not provide sufficient flexibility to appropriately remunerate the Directors.

As a result, the Board is seeking approval from shareholders to raise the total fee pool from \$180,000 to \$300,000. The Board has determined that this increase of \$120,000 is fair to shareholders given that there has not been any increase in the fee pool for over twenty years and will help to attract and retain highly qualified and suitably experienced Directors to the Board.

No increases to the remuneration levels detailed above are currently proposed as a result of the proposed increase in the fee pool. However, the Board reserves the right to make changes at any time, if it considers appropriate.

**Given that the Board is interested in this resolution, it is not providing a recommendation for this resolution.**

**Resolution 4 – Auditor’s remuneration:**

KPMG is the existing Auditor of the Company. KPMG is automatically reappointed as Auditor under section 207T of the Companies Act 1993. Section 207S of the Companies Act 1993 provides that the fees and expenses of the auditor are to be fixed in such manner as the Company determines at the Annual Meeting. The Board recommends that, consistent with usual practice, the auditor’s fees and expenses be fixed by the Directors.

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