

Notice of Annual Meeting 2016

Notice is hereby given that the Annual Shareholders' Meeting 2016 (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 **Thursday, 14 July 2016** 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 ordinary resolutions:

Resolution 1: That Mr Eliot Crowther be re-elected as a Director of Pushpay. *(See Explanatory Note 2)*

Resolution 2: That Mr Douglas Kemsley be re-elected as a Director of Pushpay. *(See Explanatory Note 2)*

Resolution 3: That the Board be authorised to fix the fees and expenses of Deloitte as auditor. *(See Explanatory Note 3)*

Resolution 4: That, for the purposes of NZX Main Board Listing Rules 3.5.1 and 7.3.8, the total amount of remuneration payable per annum to non-executive Directors be increased from NZ\$300,000 to US\$450,000¹, 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 4)*

Voting

Voting entitlements for the Meeting will be determined as at 2:00 pm (NZT) on Tuesday, 12 July 2016. 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 Tuesday, 12 July 2016 (being 48 hours before the time of the holding of the Meeting). Please refer to the Proxy Form for ways that you can return your completed Proxy Form to Link Market Services.

¹ Equivalent to NZ\$642,857 on the basis of an assumed NZ\$:US\$ exchange rate of 0.70. The Board has chosen to seek shareholder approval regarding non-executive Director remuneration in US\$, not NZ\$, as US\$ is now Pushpay's functional currency.

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 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 instruction will be to abstain. If you mark more than one box on an item your vote will be invalid on that item. The Chair of the Meeting intends to vote any discretionary proxies granted to the Chair in favour of resolutions 1 to 3. The Chair of the Meeting, being Bruce Gordon, cannot vote undirected proxies on resolution 4 and, therefore, will abstain from voting undirected proxies on this resolution.

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 “Items of business”.

Resolution requirements and voting restrictions

In order for each resolution to be passed, 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 3. No Director, and no “Associated Person” of a Director (in terms of the NZX Main Board Listing Rules), may vote on resolution 4.

The voting restrictions on resolution 4 do not prevent a Director or an Associated Person as a Director from voting as a proxy for a shareholder who is entitled to vote on those resolutions in accordance with the express instructions of that shareholder. If a Director or an Associated Person of a Director is appointed as a proxy of a shareholder and no direction is given on resolution 4, the proxy holder will, and is deemed to be directed to, abstain from voting on the relevant resolution.

Presentation materials

Copies of presentation materials from the Meeting will be available online shortly after the Meeting concludes.

On behalf of the Board,



Bruce Gordon

Chairman

22 June 2016

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. If you are joining the meeting via live webcast, you will be able to submit questions via the webcast platform. Alternatively, please write your questions in the space provided on the Form and return it to Link Market Services as per the instructions on the Proxy Form.

Note 2 – Re-election of Directors (Resolutions 1 and 2)

Pursuant to clause 18.6 of Pushpay's Constitution and NZX Main Board Listing Rule 3.3.11, 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. Those who retire are eligible for re-election at the Meeting. The Directors required to retire are those who have been longest in office since their last election. Eliot Crowther and Douglas Kemsley retire by rotation in accordance with NZX Main Board Listing Rule 3.3.11 and each offers himself for re-election.

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

Eliot Crowther



Eliot Crowther is a Co-Founder of Pushpay (along with CEO Chris Heaslip) and is a proven sales professional with several years' experience working in commercial high value sales. Eliot co-founded Pushpay after realising there was a significant opportunity to aggregate mobile commerce tools to enable Merchants to efficiently and effectively communicate and transact with Consumers. Eliot helps drive Merchant growth and Consumer engagement through targeted product offerings.

Prior to co-founding Pushpay, Eliot was a leading sales executive at HRV, the home ventilation business. His in-depth understanding of the sales process and mobile commerce was essential in establishing two of Pushpay's key vertical markets, the Faith Sector and Non-Profit Organisations (NPOs). Eliot is now focused on executing Pushpay's strategy to adapt its mobile commerce solutions to expand into SMEs and Corporate Organisations.

Eliot, a former New Zealand representative in cycling, holds a DipAppSc from AUT University and lives with his family in Seattle in the USA.

Douglas Kemsley



Douglas (Doug) has more than 25 years' experience as an investor and director of software and technology companies in New Zealand.

Doug was a co-founder and director of CA-Systems, a \$1,200 start-up which sold to MYOB for \$22 million in 1999. During his time as Chairman of Maxnet, the company grew from a start-up internet service provider to become a leading data centre and cloud services provider and was subsequently acquired by Vocus Communications in 2012.

Outside of his investment in Pushpay, Doug is passionate about a number of causes in New Zealand and Nepal. Formerly, a helicopter pilot in the Royal New Zealand Air Force and an administrator of a community health program in Nepal, Doug lives with his family in Hamilton.

Note 3 – Auditor's remuneration (Resolution 3)

Deloitte is automatically reappointed as auditor under section 207T of the Companies Act 1993. Resolution 3 authorises the Board to fix the fees and expenses of the auditor.

Note 4 – Non-executive Director remuneration (Resolution 4)

Non-executive Director remuneration

Under NZX Main Board Listing Rule 3.5.1 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 4 is put to shareholders in accordance with NZX Main Board Listing Rule 3.5.1, 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.

The total quantum which is currently available to pay non-executive Director fees is NZ\$300,000. This amount was approved by shareholders in 2014, prior to Pushpay being listed by NZX. Since that time, Pushpay's business has grown significantly and the role of the Board has expanded. Accordingly, the current remuneration payable to non-executive Directors does not adequately compensate the non-executive Directors for the volume of work undertaken.

Pushpay is focused on continuing to grow its business, particularly in the United States of America (USA). To assist with its growth plans and goals, Pushpay wishes to broaden the skill set and global coverage of the Board, which may involve the appointment of up to two USA-based Directors.

The Board believes that the increase in the aggregate amount available to pay non-executive Directors from NZ\$300,000 to US\$450,000 (being NZ\$642,857)² will enhance the Board's ability to retain and attract Directors of the highest calibre, including in the USA market, to best represent shareholders' interests and help achieve Pushpay's objective to establish itself as the global mobile platform of choice for merchants and consumers in non-POS mobile commerce.

The increase in the remuneration cap will also bring Pushpay's non-executive Director remuneration more closely into line with current market rates, particularly those in overseas markets such as the USA. The Board is also conscious that the non-executive Director remuneration contemplated below continues to be below market practice of listed entities with similar business structures.

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:

- Group Chair: US\$42,000 (NZ\$60,000) (an increase of US\$10,500 (NZ\$15,000)).
- Base fee for non-executive Director: US\$31,500 (NZ\$45,000) (an increase of US\$10,500 (NZ\$15,000)).
- Additional fee above the base fee for the chairs of the Nominations and Remuneration Committee and the Technology Innovation and Intellectual Property Committee: US\$6,300 (NZ\$9,000) (no increase).
- Additional fee above the base fee for the chair of Audit and Risk Management Committee: US\$7,000 (NZ\$10,000) (an increase of US\$700 (NZ\$1,000)).
- Additional fee above the base fee for the (non-chair) members of the Audit and Risk Management Committee, the Nominations and Remuneration Committee and the Technology Innovation and Intellectual Property Committee other than the chairs: US\$4,200 (NZ\$6,000) (no increase).
- US\$75,000 (NZ\$107,143) 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 any USA based non-executive Directors who join the Board.
- The balance of the fee pool may be applied by the Board, if it believes it is appropriate to do so, to provide additional remuneration to any USA based non-executive Directors who join the Board.

Issue of ordinary shares as non-executive Director remuneration

NZX Main Board Listing Rule 3.5.1 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 NZX Main Board Listing Rules) provided that the issue complies with NZX Main Board Listing Rule 7.3.8.

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.

2 The Board has chosen to seek shareholder approval to non-executive Director remuneration in US\$, not NZ\$, as US\$ is now Pushpay's functional currency. All conversions of US\$ into NZ\$ in Note 4 are illustrative only, and on the basis of an assumed NZ\$:US\$ exchange rate of 0.70.

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 4 or any subsequent resolution passed by shareholders).

The Board considers it to be in Pushpay's interests to give 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 USA, 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.

Directory

Registered office

Level 6
167 Victoria Street West
Auckland 1010
New Zealand

Phone: +64 9 377 7720

Postal address

PO Box 90383
Victoria Street West
Auckland 1142
New Zealand

Company number

3481675

Website

www.pushpay.com

Investor Relations

Sarah Elder

investors@pushpay.com

Directors

Bruce Gordon
Chairman

Graham Shaw

Christopher Huijich

Christopher Heaslip

Directors for re-election

Eliot Crowther

Douglas Kemsley

Leadership team

Christopher Heaslip
CEO and Co-founder

Shane Sampson
CFO

Paul Shingles
COO

Steve Basden
VP of Processing

Legal advisors

Harmos Horton Lusk
New Zealand

Corrs Chambers
Westgarth
Australia

Nixon Peabody
USA

Auditor

Deloitte New Zealand

Stock Exchange

NZX Main Board

Share Registrar

Link Market Services
Level 7, Zurich House
21 Queen Street
Auckland 1010
New Zealand

Phone: + 64 9 375 5998