

Our Annual Shareholders' Meeting

As a shareholder of NZX Limited, you are invited to our Annual Meeting to be held at our Auckland Office at Level 15, 45 Queen Street, Auckland and virtually via an [online platform](https://www.virtualmeeting.co.nz/NZX22) provided by NZX Limited's share registrar, Link Market Services at www.virtualmeeting.co.nz/NZX22 on Wednesday, 6 April 2022 at 10:00am.

Venue: [Level 15, 45 Queen Street, Auckland 1010](#)
Details of how to attend online are set out in the "Important Information" section

Date: [Wednesday, 6 April 2022](#)

Time: [10:00am](#)

If you are attending the meeting in person, please bring your Proxy form (intact) or your CSN/Security holder number with you to help make registration quick and simple with the Link Market Services team (who will be at the entrance to the room). If you are joining the meeting [online](#) further instructions on how to participate are outlined below.

Please note that if you wish to attend in person, you will need to bring your vaccination pass in order to enter the premises. If there are additional lockdown restrictions as a result of COVID that require changes to the arrangements for the Annual Meeting, which may include a decision to hold the meeting online only, we will update you via announcements to NZX.

Business

- A. Chairman's welcome and strategic overview
- B. CEO report on financial and business performance
- C. Financial statements

To receive the Annual Report for the 12 months ended 31 December 2021, including the financial statements and the auditor's report.

- D. Ordinary Resolutions

The following resolutions will be voted on at the meeting:

1. That the Board be authorised to determine the auditor's fees and expenses for the 2022 financial year;
2. That Peter Jessup (appointed by the Board as a director with effect from 1 January 2022), who retires and is eligible for election, be elected as a director of NZX Limited;
3. That James Miller, who retires and is eligible for re-election, be re-elected as a director of NZX Limited;
4. That Elaine Campbell, who retires and is eligible for re-election, be re-elected as a director of NZX Limited; and
5. That the total annual remuneration payable to all directors be increased by \$87,000 from \$435,000 to \$522,000 with effect from 1 July 2022.

After serving over 2 years on the Board, John McMahon has retired as a director of NZX Limited, effective 31 December 2021, and is not seeking re-election.

- E. Other business

To consider any other business that may be properly brought before the meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'Sara Wheeler'.

Sara Wheeler
COMPANY SECRETARY

Explanatory Notes

All resolutions to be put to the meeting are discussed in the following Explanatory Notes.

Resolutions 1 to 5 are proposed as ordinary resolutions and, to be passed, require approval by a simple majority of votes of shareholders who are entitled to vote on the resolutions and who exercise their right to vote. All references in this Notice of Meeting to the "Listing Rules" are references to the NZX Listing Rules dated 10 December 2020.

Resolution 1:

Auditor

KPMG is the current auditor of NZX. The Companies Act 1993 ("Act") provides that a company's auditor is automatically re-appointed unless the shareholders resolve to appoint a replacement auditor, or there is another reason for the auditor not to be re-appointed. Section 207S of the Act further provides that the auditor's fees and expenses must be fixed by the Company, or in the manner that the Company determines at a shareholders' meeting.

Shareholders are being asked to resolve that the Board is authorised to fix the fees and expenses of KPMG for the 2022 financial year.

The Board unanimously supports resolution 1 and recommends that you vote in favour of it at the meeting.

Resolution 2:

Election of Peter Jessup as a Director of NZX

Pursuant to clause 26.2 of the Constitution, any person who is appointed as a Director by the Board must retire at the next Annual Meeting, but shall be eligible for election at that meeting.

Peter Jessup retires in accordance with clause 26.2 of the Constitution, and offers himself for election.



Peter was appointed as an independent director in January 2022, following his appointment to the Technology Committee in April 2021. Peter is recognised as a pre-eminent expert in stock exchange computer systems. He brings more than 35 years' financial markets IT experience - including trading, surveillance, clearing, depository and settlement systems.

Prior to establishing an independent consultancy in 2018, Peter was Senior Vice

President at Nasdaq's Global Technology Services group, leading an international team of software product engineers and support personnel of over 250 across four geographical locations. Over his 23 years at Nasdaq, he oversaw the development and deployment of financial markets products with a global customer base of over 50 exchanges, CSDs and clearing houses. Peter worked for NZSE (New Zealand Stock Exchange) from 1986 to 1993, where he played a key role in automation of the exchange, including the implementation of electronic settlement and automated trading technology.

Peter is Chair of the Technology Committee, and also sits on the Audit and Risk Committee. The Board has determined Peter to be an independent director for the purposes of the Listing Rules, and he also meets the requirements of NZX's 'fit and proper' policy.

The Board unanimously supports resolution 2 and recommends that you vote in favour of it at the meeting.

Resolution 3:

Re-election of James Miller as a Director of NZX

Pursuant to Listing Rule 2.7.1, a director must not hold office without re-election past the third annual meeting following the director's appointment, or 3 years, whichever is longer.

James Miller retires in accordance with Listing Rule 2.7.1, and offers himself for re-election.



James was appointed as a director in August 2010, and has been NZX Chair since May 2015. He was last presented for re-election in 2019. He currently sits on the Nomination Committee and the Human Resources and Remuneration Committee. He has deep experience in the sharebroking industry, with more than 14 years across Craigs Investment Partners, ABN AMRO, Barclays de Zoete Wedd and ANZ Securities.

James is a qualified chartered accountant, a Certified Securities Analyst Professional, and is a Fellow of INFNZ, the Institute of Chartered Accountants, and the Institute of Directors in New Zealand. James is a director of Mercury NZ, New Zealand Refining Company and Vista Group, and a former director of the Accident Compensation Corporation, Auckland International Airport and Vector Limited. He was an inaugural director of the Financial Markets Authority, and previously a member of the ABN AMRO Securities, INFNZ and Financial Reporting Standards Boards. James has recently confirmed his intention to stand down at the 2023 ASM to enable orderly leadership succession at NZX.

The Board unanimously supports resolution 3 and recommends that you vote in favour of it at the meeting.

Resolution 4:

Re-election of Elaine Campbell as a Director of NZX

Pursuant to Listing Rule 2.7.1, a director must not hold office without re-election past the third annual meeting following the director's appointment, or 3 years, whichever is longer.

Elaine Campbell retires in accordance with Listing Rule 2.7.1, and offers herself for re-election.



Elaine was appointed as a director in February 2019 and currently sits on the Clearing Committee and Human Resources and Remuneration Committee, and is director of RegCo. This is the first time she has been presented for re-election. She has more than 20 years' legal experience, primarily focusing on financial and capital markets, IT and telecommunications law.

Elaine is currently Chief Corporate Officer & General Counsel of NZX-listed Chorus. During her time on the executive team at NZX from 2002 to 2008, Elaine led the legal workstream for the demutualisation and listing of NZX and was responsible for the insourcing of regulatory functions, along with chairing Smartshares. Elaine spent five years at the Financial Markets Authority as Director of Compliance before joining AMP as an executive director and General Counsel. She has previously worked in the UK and US for multinational Sun Microsystems.

The Board unanimously supports resolution 4 and recommends that you vote in favour of it at the meeting.

Resolution 5:

Increase Director Fee Pool

Listing Rule 2.11.1 and the Constitution of the Company require the remuneration of the directors to be approved by Ordinary Resolution of the Company. This may be expressed as either a monetary sum payable either to all directors in aggregate, or to each person who holds office as a director of the Company. If the sum approved is an aggregate amount, that sum may be divided amongst the directors as the board deems appropriate.

The fee pool of \$435,000 was last independently benchmarked in 2002, prior to listing and was last increased with the approval of shareholders in 2012 (by \$60,000 to accommodate the appointment of an additional director and some additional headroom). Fees paid to individual directors (Chair fee of \$100,000 and director fee of \$50,000) have remained static since 2003.

The complexity of the business, together with technology requirements, and regulatory obligations have increased immeasurably since the IPO in 2003.

The board sought proposals from leading independent remuneration advisers and selected PWC to carry out independent market benchmarking for non-executive director (NED) fees at NZX Limited based on a group of 20 peers. The outcomes of this exercise are contained in an independent report from PWC and a summary of the report can be found [here](#). PWC's report identified the following factors:

- The market median fee pool across the agreed comparator group of 20 NZX-listed companies was \$725,000. The NZX current pool fee at \$435,000 has a comparative ratio of 60% of the market median.
- If current director fees had been adjusted for inflation from 2003 it would result in a fee pool of \$562,835.
- NZX Board Chair and NED fees each currently trail the market median observation, at 67% and 59% respectively.
- All of the comparator companies pay a committee fee to their Chair of Audit & Risk Committee (median \$15,000) and 75% pay a Chair of Remuneration Committee fee (median \$12,000). Between 25% -40% of these companies also pay committee member fees.

To facilitate the chair succession process and attract and retain talent, it is essential that NZX pays market rates for fees. Based on the independent benchmarking information, and subject to shareholder approval, the NZX board proposes to increase the current fee pool to \$522,000 (which represents a comparative ratio of 72% of the market median). If approved, the Board would use its discretion to allocate the updated pool towards its 7 non-executive directors on the basis of a Chair fee of \$120,000 and a director fee of \$60,000 from 1 July 2022. The Board will not pay its non-executive directors separate committee fees.

The Board will also introduce a policy for at least 50% of the increase from the FY2022 director's fee to be applied towards acquisition of NZX shares each year, subject to legal requirements.

Noting that there is still some way to go for the fee pool to reach the market median, the Company also wishes to signal its intention to return to Shareholders over the following 2 years (2023 and 2024) to seek further adjustments.

Note that fees paid to directors of NZX subsidiary NZX Regulation Limited (Regco) are excluded from NZX's fee pool and shareholder approval requirements under a waiver granted by Special Division in December 2021. That waiver is summarised in NZX's annual report for the 2021 financial year and a link to the full text of that waiver is available [here](#). The waiver does not apply to directors of NZ RegCo who are also directors of NZX.

Under the listing rules, fees paid to the directors of Smartshares are approved separately by NZX as a shareholder of Smartshares.

The Listing Rules require that the remuneration of directors be authorised by an ordinary resolution.

Voting restrictions apply to this resolution.

See the "Important Information" section for further details.

Important Information

Voting

You are entitled to vote at the Annual Meeting if you have a shareholding in NZX Limited at **5.00pm on Monday 4 April 2022**. If you are entitled to vote and wish to do so in person, you should attend the Annual Meeting.

A proxy form is enclosed with this Notice of Annual Meeting which allows you to vote on the resolutions notified in this Notice of Annual Meeting. Please bring this form with you to the meeting, as the barcode will assist with your registration.

Proxies and corporate representatives

Any shareholder of NZX who is entitled to attend and vote at the Annual Meeting, is entitled to appoint a proxy (or representative in the case of a corporate shareholder) to attend the meeting and vote on their behalf. A proxy need not be a shareholder of NZX.

If you appoint a proxy, you may either direct your proxy how to vote for you, or you may give the proxy discretion to vote as he or she sees fit. If you wish to give your proxy discretion, then you should make the appropriate election, either online or on the proxy form, to grant your proxy that discretion. You will be deemed to have given your proxy discretion if you do not make an election in relation to any of resolutions 1 to 5.

The Chair of the meeting is willing to act as proxy for any shareholder who appoints him for that purpose. If you appoint the Chair of the meeting as your proxy and do not direct the Chair how to vote in the proxy form, the Chair will vote in favour of resolutions 1 to 4 and will abstain from voting on resolution 5.

If, in appointing your proxy, you do not name a person as your proxy (either online or on the proxy form that is lodged with Link Market Services), or your named proxy does not attend the meeting, the Chair of the meeting will be your proxy and may only vote in accordance with your express direction. To be valid, a completed proxy form must be returned so that it is received by no later than **10:00am on Monday 4 April 2022**. Any proxy form received after this time will not be valid for the meeting. You may return your completed proxy form by delivering it to Link Market Services using one of the following methods:

Online at: <https://investorcentre.linkmarketservices.co.nz/voting/nzx> (you will need your CSN/holder number and authorisation code (FIN))

Scan and email to: meetings@linkmarketservices.com (use 'NZX Proxy' as email subject)

Mail to: Link Market Services, PO Box 91976, Auckland 1142, New Zealand using the enclosed reply paid envelope

By hand to: Link Market Services, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010, New Zealand

Online Participation

To participate at the meeting online use the following link to NZX's share registrar's virtual meeting platform: www.virtualmeeting.co.nz/NZX22

Shareholders attending and participating in the meeting virtually via the online platform will be able to vote and ask questions during the meeting. If you will be participating online you will require your shareholder number, found on your proxy form, for verification purposes.

More information regarding virtual attendance at the meeting (including how to vote and ask questions virtually 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>

A full replay of the meeting will be available via the link below and can be accessed online at NZX's Investor Centre: <https://www.nzx.com/about-nzx/investor-centre/shareholder-meetings>

Resolutions

All of the resolutions are ordinary resolutions, meaning they can be approved by a simple majority (more than 50%) of the votes cast.

Voting Restrictions

In accordance with the Listing Rules, each director and all Associated Persons of each director (as that term is defined in the Listing Rules) is disqualified from casting a vote in favour of resolution 5, other than where the vote is cast by a director or an Associated Person as a proxy for a person who is entitled to vote, in accordance with express directions on the Voting/Proxy Form to vote for or against the resolution. Any votes otherwise cast in favour of resolution 5 by a director or an Associated Person of a director will be disregarded by the Company.

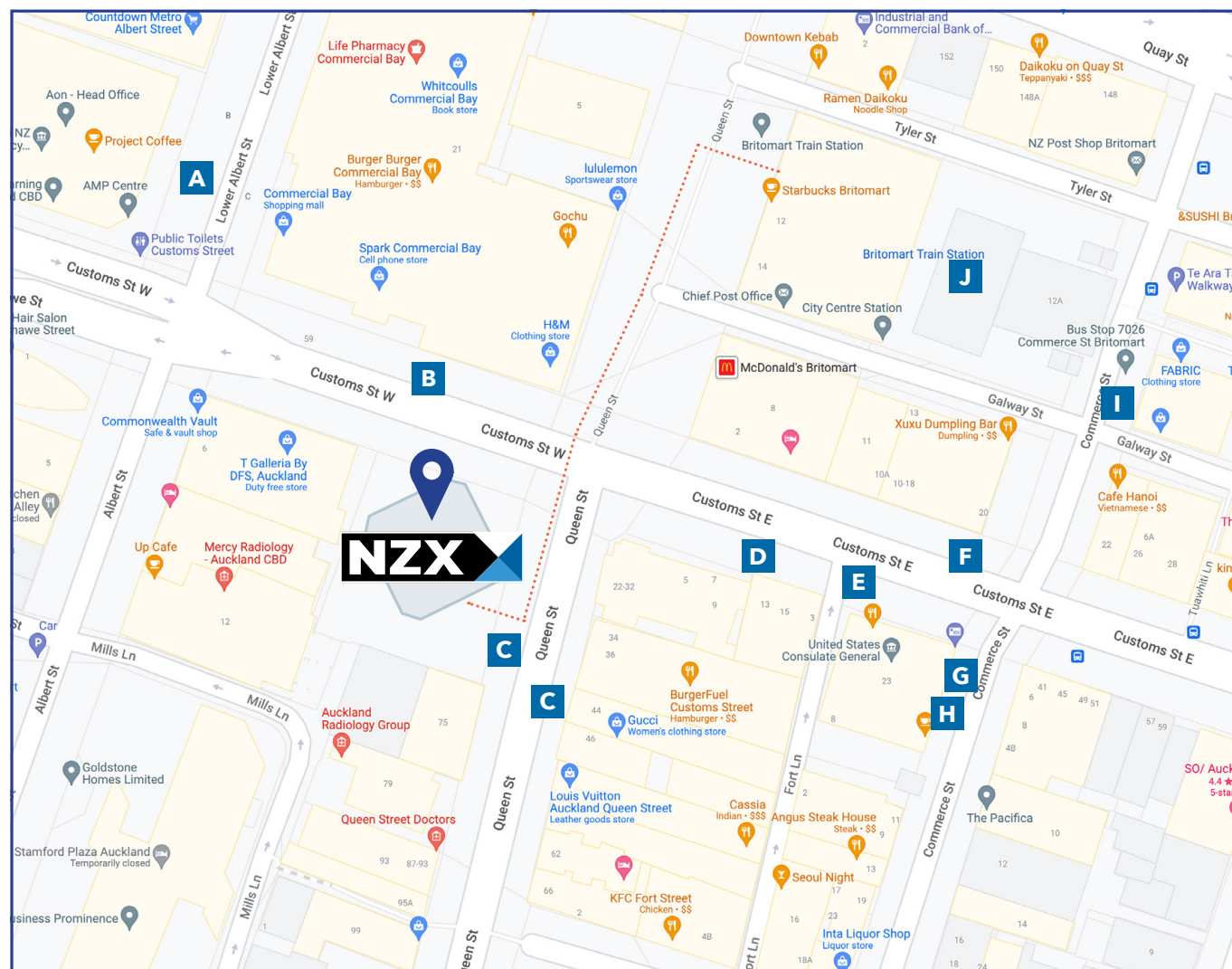
Questions

Following the conclusion of formal business, there will be an opportunity for shareholders at the meeting (attending either in person or using the virtual meeting platform) to ask questions.

To encourage shareholder participation, we also invite those unable to attend in person to submit questions ahead of the meeting. If you would like to submit a question you can do so [online](#) or using the enclosed proxy form. Questions received by 10.00am on Monday 4 April 2022 will be addressed and answered at the meeting.

Copies of the Annual Meeting presentation materials will be published and available online shortly before the meeting begins

How to get to the Annual Meeting



► **NZX Limited**
Level 15
45 Queen Street

Transit by train to Britomart
Train Station then walk/taxi

BUS STOPS/ROUTES

- A.** Lower Albert Street
- B.** Custom Street West
- C.** Britomart Te Komititanga
- D.** Stop A Britomart Queens Arcade
- E.** Stop B Britomart Queens Arcade
- F.** Britomart Queens Arcade
- G.** Britomart
- H.** Britomart Custom Street East
- I.** Britomart Commerce Street
- J.** Britomart Train Station