



Property
for
Industry
Limited

Notice of
2021
Annual Meeting
of shareholders

ANNUAL MEETING

NOTICE IS GIVEN that the annual meeting of the shareholders of Property for Industry Limited (PFI, the Company) will be held on:

WEDNESDAY

19

MAY 2021

COMMENCING AT:

11⁰⁰

AM

COVID-19



If Auckland is at COVID-19 Alert Level 1, attendees will have the option of attending in person at the Level 4 Lounge, South Stand, Gate G, Eden Park, Carpark P5, Reimers Ave, Mount Eden, Auckland 1024, or virtually. If Auckland is at COVID-19 Alert Level 2 or above, or the Board otherwise considers it appropriate in the circumstances, only virtual attendance will be available.

AGENDA

01 BOARD AND MANAGEMENT TEAM PRESENTATIONS

02 SHAREHOLDER DISCUSSION

03 FINANCIAL STATEMENTS

To receive the financial statements for the year ended

31 December 2020 together with the report of the auditors.

04 ORDINARY RESOLUTIONS

Resolution 1:

That David Thomson, who retires and is eligible for election, be elected as a Director of the Company.

Resolution 2:

That Gregory Reidy, who retires and is eligible for election, be elected as a Director of the Company.

Resolution 3:

That the Directors are authorised to fix the fees and expenses of the auditors, PricewaterhouseCoopers Auckland.

Resolution 4:

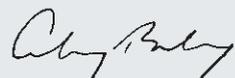
That the Directors be authorised to fix the remuneration of the Directors of the Company from the close of this meeting as per the table shown in the Explanatory Notes.

The Board recommends that you vote in favour of each of the above resolutions.

05 GENERAL BUSINESS

By order of the Board of Directors.

The Board of PFI invites attendees to join them for light refreshments at the end of the meeting.



Anthony Beverley
Chairman

EXPLANATORY NOTES

ORDINARY RESOLUTIONS

RESOLUTION 01.

RE-ELECTION OF DAVID THOMSON

The NZX Listing Rules state Directors must not hold office (without re-election) past the third annual meeting following the Director's appointment, or three years, whichever is longer. Accordingly, David Thomson is required to retire at this meeting. David, being eligible, offers himself for re-election, and the Board unanimously supports his re-election.

Having had regard to the factors described in the NZX Corporate Governance Code that may impact Director independence, the Board considers David will be an Independent Director, if re-elected.

David has been a director of PFI since 2018. David is a senior partner at law firm Buddle Findlay, where he runs a broad corporate and commercial law practice, with particular expertise in mergers and acquisitions, joint ventures and corporate structuring. David was until recently a member of Buddle Findlay's board for seven years. David advises a wide range of New Zealand and

international businesses and significant public-sector clients including Panuku Development Auckland, The University of Auckland, Victoria University of Wellington Te Herenga Waka, and Museum of New Zealand Te Papa Tongarewa. David was raised in Christchurch, where he completed commerce and law degrees at the University of Canterbury. He then practiced law in Wellington and London, before returning to Buddle Findlay in 2000 and becoming a partner of the firm in Auckland in 2002.

David is a member of PFI's Audit and Risk Committee. ■

RESOLUTION 02.

RE-ELECTION OF GREGORY REIDY

The NZX Listing Rules state Directors must not hold office (without re-election) past the third annual meeting following the Director's appointment, or three years, whichever is longer. Accordingly, Gregory (Greg) Reidy is required to retire at this meeting. Greg, being eligible, offers himself for re-election, and the Board unanimously supports his re-election.

Having had regard to the factors described in the NZX Corporate Governance Code that may impact Director independence, the Board considers that Greg Reidy will be a Non-Executive Director, if re-elected.

Greg has been a director of PFI since 2012. Greg has a background in property investment, funds management and development with more than 25 years' experience in the management, ownership and development of industrial, commercial, retail and residential property. Greg is also the Managing Director of Reidy & Co. ■

EXPLANATORY NOTES

ORDINARY RESOLUTIONS

RESOLUTION 03.

AUDITOR'S FEES AND EXPENSES

Section 207T of the Companies Act 1993 provides that a company's auditor is automatically reappointed unless the shareholders resolve to appoint a replacement auditor or there is some other reason for the auditor not to be reappointed. The Company wishes PricewaterhouseCoopers to continue as the auditor of the Company, and PricewaterhouseCoopers has indicated its willingness to continue in office.

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. ■

RESOLUTION 04.

DIRECTOR FEES

The proposed resolution is to adjust Director fees as set out in the table below.

Director fees were last adjusted by PFI at the 2019 annual meeting. As noted at that meeting, the rates would be reviewed every second year by the Board in advance of the annual meeting with any adjustment put to shareholders for approval.

In setting the proposed rates, the Board commissioned an independent benchmarking review of the current level of Directors' fees by Strategic Pay. A summary of Strategic Pay's report, together with their attestation of independence, is available on PFI's website at <https://www.propertyforindustry.co.nz/investor-centre/annual-meeting/>.

In requesting this review and setting the proposed Directors' fees to be put to shareholders, the Board has also considered:

- the growth of the Company, with contract rent growing 9.5% and assets growing 24.1% over the past two years;
- PFI's robust performance through the recent period of economic uncertainty;
- changes in the workload and expectations of directors since the review; and
- the need to attract and retain directors of a strong calibre.

PROPOSED STRUCTURE

THE PROPOSED STRUCTURE AND RATES ARE SET OUT IN THE TABLE BELOW:

POSITION	\$ PLUS GST (IF ANY)	
	CURRENT	PROPOSED
Board Chair	160,000	170,000
Independent Director / Non-Executive Director	82,500	90,000
Audit and Risk Committee Chair	15,000	15,000
Audit and Risk Committee Member	–	7,500
Nomination and Remuneration Committee Chair	10,000	10,000
Nomination and Remuneration Committee Member	–	5,000
Hourly rates for abnormal and particularly time intensive projects or transactions outside the scope of typical Board work	350 per hour	350 per hour

The proposed structure and rates are in line with the median of Strategic Pay's recommendations.

The Board currently comprises four Independent Directors (including the Chair) as well as a Non-Executive Director, although the Board's composition may change over time. The changes result in total Director fees (not including ad hoc fees) for the current Directors of \$567,500 per annum. This represents an overall increase of \$52,500, or 10.2%, as compared to the current fees, which were approved by shareholders in 2019.

Of the overall increase of \$52,500, \$12,500 is attributable to the introduction of Committee Member fees. The Board considers that it is now appropriate for Committee

Members to be paid a separate fee to reflect the workload and responsibilities related to these Committees, that has increased since the last review in 2019.

This position is consistent with Strategic Pay's recommendation and as noted by them reflects market practice of NZX listed companies. It is noted that these Committees currently comprise the Committee Chair, the Board Chair and one member, and that it is PFI's policy that the Board Chair is not entitled to separate Committee Member fees.

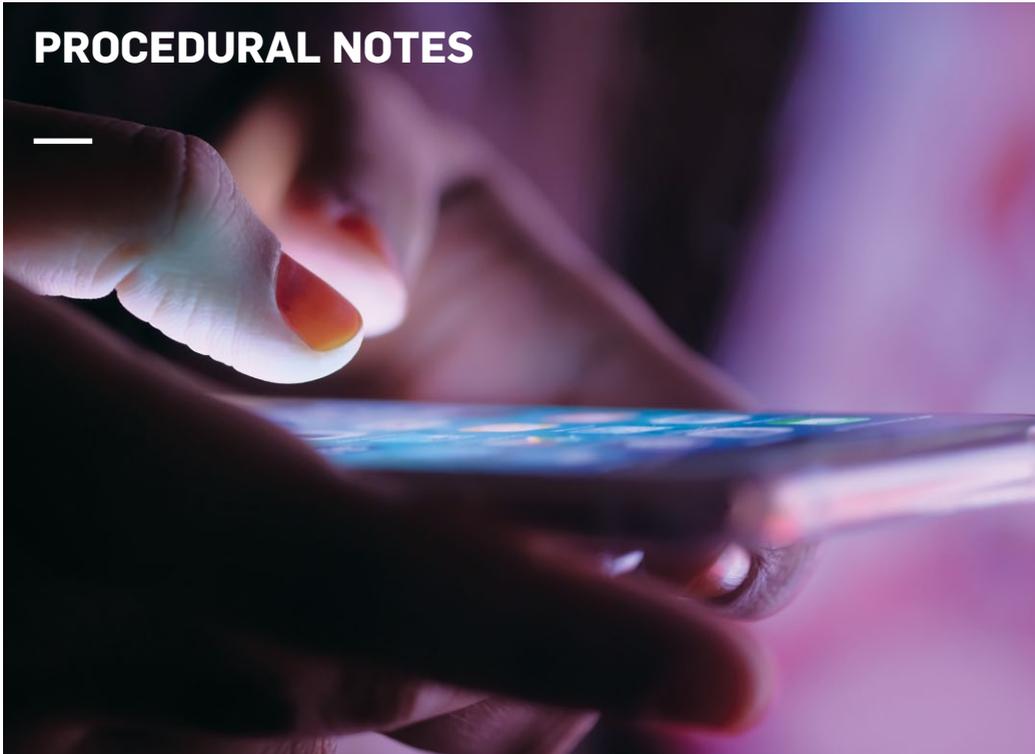
If resolution 4 is approved by shareholders, the set rates above will apply from the close of this meeting. Going forward the rates would continue to be reviewed every second year by the Board in advance of the Annual Meeting with any adjustment put to shareholders for approval.

Voting Restrictions

In accordance with NZX Listing Rule 2.11.1, the fees payable to Directors must be approved by an ordinary resolution of the shareholders of the Company.

In accordance with NZX Listing Rule 6.3.1, no Director who is intended to receive payment of these fees or their Associated Persons (as defined under the NZX Listing Rules) can vote on such resolutions, unless casting votes under an expressly directed proxy of a person who is not disqualified from voting. ■

PROCEDURAL NOTES



Shareholders can participate in the annual meeting virtually through the web platform web.lumiagm.com and entering the meeting ID 344-229-409. Virtual attendance is optional at COVID-19 Alert Level 1, and is the only option at all other COVID-19 Alert Levels or if the Board otherwise determines it is appropriate not to hold a physical meeting in the circumstances. If no physical meeting is to be held, PFI will provide shareholders with notice through an announcement to the NZX.

To participate, shareholders will need their CSN or holder number which can be found on their Voting/Proxy Form. Shareholders will be able to view presentations, ask questions and cast their vote

from their own computers, mobiles or similar devices.

Shareholders attending virtually are encouraged to review the attached “Virtual Annual Meeting Guide” prior to the Annual Meeting.

Voting

Voting at the annual meeting shall be decided by a poll of PFI shareholders entitled to vote and voting. Set out below are details on voting matters for the annual meeting.

A Voting/Proxy Form for use at the annual meeting is enclosed with this notice of meeting. If you are attending in person, you should bring this form to the meeting as it also constitutes your voting paper.

Entitlement to Vote

Every PFI shareholder whose name is registered in the share register as at 5.00pm on Monday, 17 May 2021 and who is present at the meeting in person or by proxy or in the case of a body corporate shareholder, by representative, can vote in respect of Resolutions 1 through 4 and shall have one vote in respect of every fully paid PFI share held by that PFI shareholder at that time.

How you can vote?

PFI shareholders can vote in any one of the following ways:

- in person (at COVID-19 Alert Level 1 only);
- virtually (please refer to the instructions in the attached “Virtual Annual Meeting Guide”);
- by appointing a proxy online at www.investorvote.co.nz;
- by appointing a proxy using the enclosed form; or
- by representative (if the shareholder is a body corporate).

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 in your place. A proxy or representative need not be a shareholder of the Company. You may direct your proxy or representative to vote, or give your proxy or representative a discretion to vote how he/she sees fit. If you wish to give your proxy or representative such discretion you should mark the box accordingly. If you do not mark any box then your direction is to abstain.

A Voting/Proxy Form is attached to this notice of meeting. If you wish to appoint a proxy to vote on your behalf, you must complete the Voting/Proxy Form and produce it to the Company so as to be received (either by post or online) no later than 11.00am on Monday, 17 May 2021.

Alternatively, shareholders can appoint a proxy online at www.investorvote.co.nz in accordance with the instructions set out in the enclosed Voting/Proxy Form.

The Chairman of the Company is willing to act as proxy. If you appoint the Chairman as proxy but do not direct him how to vote on any particular matter, then the Chairman intends to vote in favour of each of the resolutions (other than Resolution 4). If, in appointing a proxy, you have inadvertently not named someone to be your proxy but otherwise completed the Voting/Proxy Form in full, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy and will vote in accordance with your express direction.

Required Votes

Resolutions 1 through 4 are ordinary resolutions that each require a simple majority of more than 50% of the valid votes cast at the annual meeting.

Shareholder Questions

Shareholders present at the meeting will have the opportunity to ask questions during the meeting. Please refer to the instructions in the attached “Virtual Annual Meeting Guide” on how shareholders can ask a question if attending virtually.

In addition, shareholders have the opportunity to ask questions in advance of the meeting. If you would like to ask a question please

either email your question to info@propertyforindustry.co.nz with ‘Annual Meeting Question’ in the subject line, or post your question to the Chief Finance and Operating Officer, Property for Industry Limited, PO Box 1147, Shortland Street, Auckland 1140. Please include your name and shareholder number. During the meeting, the Board intends to answer as many of the most frequently asked questions as is reasonably practicable. All questions should be received by PFI by 5.00pm on Wednesday, 5 May 2021.

Motions will not be allowed from the floor.

Presentations

The presentations from the annual meeting will be released to the NZX and published on the Company website at <https://www.propertyforindustry.co.nz/investor-centre/annual-meeting/> prior to, or during, the meeting. A summary of the meeting and the results of voting will be released to the NZX as soon as practicable following the close of the annual meeting. ■

MORE INFORMATION



If you have any questions, or for more information, please contact PFI's Chief Finance and Operating Officer,

Craig Peirce on +64 9 303 9651 or email peirce@propertyforindustry.co.nz

LOCATION

Level 4 Lounge,
South Stand,
Eden Park,
Gate P5,
Reimers Ave,
Mount Eden,
Auckland

**ENTRY AND
FREE PARKING**
through P5 off
Reimers Ave

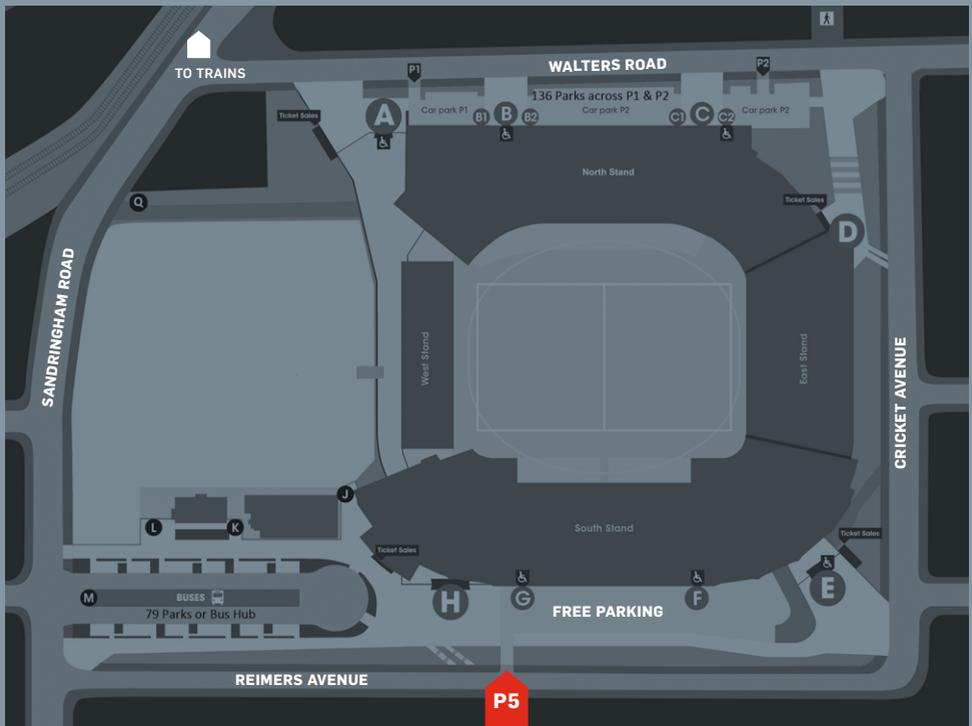
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Wednesday
19 May
2021

—
11.00am

COVID-19



NOTE: If Auckland is at COVID-19 Alert Level 1, attendees will have the option of attending in person. If Auckland is at COVID-19 Alert Level 2 or above, or the Board otherwise considers it appropriate in the circumstances, only virtual attendance will be available.



ENTRY AND FREE PARKING



Property for Industry Limited

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www.propertyforindustry.co.nz