

ANNUAL MEETING AGENDA

Date: Tuesday, 18 August 2020

Time: 11:00am

Venue: Trustpower Arena, 81 Truman Lane, Mount Maunganui

AGENDA ITEMS

- 1 Apologies, Approval of Previous Minutes and Matters Arising
- 2 Annual Report incorporating the Chairman and CEO Reports
- 3 Financial Statements
- 4 Budget
- 5 Set the remuneration of Forum Representatives
- 6 Rule Change resolutions
 - a) Grower definition
 - b) Preferential voting system for regional representatives
 - c) Supply Entity representation over 4%
 - d) Supply Entity representative cap
 - e) Rule change process
 - f) Combination of Schedule 1&3
 - g) Removal of references to KNZ Board members
 - h) Minor amendments be made to other Rules and the inclusion of Rule 25
- 7 Member Forum
 - Members to raise issues for discussion
(no resolutions can be taken)

HOW ARE MY VOTES CALCULATED?

- The average of the highest number of trays that a grower produces in any two of five years are used for the number of votes that you have.
- If you are a landowner you will get one vote for each tray grown on that land.
- If you are a leasee you will get one vote for each tray grown on that land.

For more detailed information, please read section 7.4 of the NZKGI rules, located on the NZKGI website.



2020 RESOLUTIONS AND EXPLANATORY NOTES

1 Previous Minutes

That the minutes of the Annual General Meeting held on Wednesday, 24 July 2019 be approved as a true and accurate record.

Explanatory Information

The minutes are available on NZKGI's website www.nzkgi.org.nz or by contacting the NZKGI office on 0800 232 505 or info@nzkgi.org.nz.

The Chairman will invite members to discuss the content of the previous minutes and invite members to ask any questions. The Chairman will then put the above resolution to the meeting. The resolution requires 50 percent of the votes cast.

2 Annual Report

That the Annual Report incorporating the Chairman and Chief Executive Reports be approved.

Explanatory Information

The Annual Report has been distributed with the agenda papers.

The Chairman will invite members to discuss the content of this report and invite members to ask any questions. The Chairman will then put the above resolution to the meeting. The resolution requires 50 percent of the votes cast.

3 Financial Statements

That NZKGI's Financial Statements for the period ending 31 December 2019 be approved.

Explanatory Information

The summary financial statements have been distributed as part of the Annual Report.

NZKGI's Executive Committee has reviewed the financial statements and recommends that members approve them.

The full audited financial statements along with the auditor's opinion are available on NZKGI's website www.nzkgi.org.nz or by contacting the NZKGI office on 0800 232 505 or info@nzkgi.org.nz.

The Chairman will invite members to discuss the financial statements and invite members to ask any questions. The Chairman will then put the above resolution to the meeting. The resolution requires 50 percent of the votes cast.

4 2021 Budget

That NZKGI's Budget for the year ending 31 December 2021 be approved.

Explanatory Information

The proposed 2021 Year budget allows for expenditure of \$1,848,895 against an expected income of \$1,703,607 (based on 1c/tray for 170 million trays) resulting in an operating deficit of \$145,288. The 2021 budget has increased expenditure from 2020 and a deficit is expected which will be funded from retained earnings.

NZKGI's Executive Committee and Forum have reviewed this budget and recommend that members approve it.

The Chairman will invite members to discuss the content of this report and invite members to ask any questions. The Chairman will then put the above resolution to the meeting. The resolution requires 50 percent of the votes cast.

5 Set the remuneration of Forum Representatives

That the recommendations of the Remuneration Committee be approved with effect from 1 January 2021.

Explanatory Information

In 2019, the AGM approved a rule change so that remuneration is set by the AGM. Previously it was set by the Forum. The Terms of Reference was also changed so that a committee of two Growers (non-Forum members) and an Independent Member form the Committee.

A report from the Remuneration Committee is available on NZKGI's website www.nzkgi.org.nz or by contacting the NZKGI office on 0800 232 505 or info@nzkgi.org.nz.

The recommendations of the Remuneration Committee are as follows:

- Chairman's and Vice Chairman's fees be adjusted to \$65,500 for the Chairman and \$35,500.00 for the Vice Chairman.
- Meeting Fees for Forum Members be adjusted to \$400 per day, \$200 per ½ day and \$100 minimum.
- The 'off orchard time' for those representatives residing outside of the BOP be adjusted to \$185 per day.

- The Special Allowance \$25,000 at the discretion of the Executive Committee be removed from consideration.

All other fees remain the same as 2020.

The Chairman will invite the Chair of the Remuneration Committee to present their recommendation. Members will be invited to discuss the recommendation and ask any questions. The Chairman will then put the above resolution to the meeting. The resolution requires 50 percent of the votes cast.

6 Rule changes:

Explanatory Information

A resolution to change the rules at the 2018 AGM was withdrawn by the Executive Committee after some members expressed concerns over one of the proposed rules. The proposed rule which caused the concern has been removed and the remainder of the changes are presented again to the 2020 AGM. The rule changes are proposed in a series of resolutions, each will require a vote.

In addition, Resolution d) is moved to resolve an inconsistency in the rules.

A full marked up version of the proposed rules is available on NZKGI's website www.nzkgi.org.nz or by contacting the NZKGI office on 0800 232 505 or info@nzkgi.org.nz.

Pursuant to Rule 12 and 17 of the Rules, the NZKGI Forum moves:

- a) That Rules 4 & 7.2 be approved as marked up to improve the definition of a 'Grower' to allow for Trustees and Directors who may not have a financial interest in the growing entity.
- b) That Rule 4 & 8.5, 8.6, 8.12 be approved as marked up to change the voting basis where there is more than one regional representative to a preferential voting system so that Growers can vote for all vacancies rather than the current system which only allows a vote for only one vacancy.
- c) That Rules 4 & 8.7 be approved as marked up to allow a group of Supply Entities to have representation where they collectively have greater than 4% supply.
- d) That Rule 8.7(d) be added to cap the total number of Supply Entity representatives at 9 to resolve the existing inconsistency with Rule 8.1(b).
- e) That Rule 17 be approved as marked up to clarify the process for changing the rules.
- f) That Schedules 1 & 3 be combined into one schedule to remove inconsistency and duplication and include all appointments made by Forum.
- g) That Schedule 1 be approved as marked up to remove references to the appointment of KNZ Board members (Grower Directors are now appointed directly by Growers following changes to the Kiwifruit Regulations).
- h) That various minor amendments be made to other rules as marked up and the inclusion of Rule 25 to allow for electronic means of communication and voting, removal of fax and to make minor wording changes based on legal advice.

The Chairman will invite members to discuss each resolution and invite members to ask any questions. The Chairman will then put each resolution to the meeting. Each resolution requires 50 percent of the votes cast.