

# PRESENTATIONS TO THE PROPERTY FOR INDUSTRY ANNUAL MEETING

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At 11.00am on Wednesday, 29 March 2023

<< Slide 1: WELCOME TO THE 2023 PFI ANNUAL MEETING >>

<< Anthony Beverley >>

Good morning, my name is Anthony Beverley, and I am the Chair of the Board of Directors of PFI.

Welcome to the twenty-ninth Annual Meeting of PFI. We have a quorum present, so let's get underway.

This year we are once again holding this meeting as a hybrid meeting, meaning that we have participants both here in person, and attending virtually.

Before we start, can I just remind those here in person to put your phone on silent? And, in case of an emergency, please follow the instructions of the Generator staff. Please follow the emergency exit doors out of the meeting room. The nearest assembly point is located on Quay Street.

In order for this hybrid meeting to run smoothly, I would like to confirm how questions and answers, and voting will work.

First, let's deal with the procedure around questions and answers: any shareholder or appointed proxy is eligible to ask questions.

If an eligible online attendee would like to ask a question, you can select the "Q&A" tab on the right-hand side of your screen at any time, type your question into the box at the bottom of the screen and press "Send".

There will be time allocated for in-person attendees to ask questions during the course of the meeting. We will try to get to as many of the questions as possible, but not all

questions may be able to be answered during the meeting. In this case, questions will be followed up after the meeting.

The second key procedure is voting.

We will open the poll for virtual attendees now, to give you plenty of time to vote. The “Vote” tab is located on the right-hand side of your screen, and from here, the resolution and voting choices will be displayed. To vote, simply select your voting choice from the options shown on screen. You may vote for all resolutions at once or by each resolution. Once your vote has been cast, a green tick will appear. You can change your vote at any time up until when the poll is closed. Prior to the poll closing, simply select “Change Your Vote” and choose another voting choice.

Should you require any assistance with asking questions or voting, you can type your query into the “Q&A” tab at any time and one of the Computershare team will assist you. Alternatively, you can call Computershare on 0800-650-034 and ask to speak to one of the administrators supporting the PFI Annual Meeting.

I will explain procedures for voting in person later in the meeting.

## << Slide 2: AGENDA >>

Here is the agenda.

I will start with a short presentation, and then our CEO, Simon Woodhams, will do likewise.

You will then have the opportunity to ask questions or to make comments about those presentations, or the financial statements and auditor’s report.

Then, as you have seen in the notice of meeting, we have six resolutions we would like you to approve.

Following those resolutions, we will finish with a further opportunity for questions and answers when we get to general business.

Those who are here in person are welcome to join us for light refreshments and a more informal chat with the Board and Management Team after the meeting.

<< Slide 3: BOARD PRESENTATION >>

<< Slide 4: INTRODUCTIONS >>

Let me start by re-introducing the Management Team and Board:

- **Craig Peirce**, Chief Finance and Operating Officer;
- **Simon Woodhams**, Chief Executive Officer;
- **Angela Bull**, Independent Director, who was appointed to the Board in February and is up for election by shareholders today;
- **Carolyn Steele**, Independent Director, who was appointed to the Board in August last year and is up for election by shareholders today;
- **David Thomson**, Independent Director;
- **Dean Bracewell**, Independent Director; and finally;
- **Greg Reidy**, Independent Director.

We also have representatives from our auditors, PricewaterhouseCoopers, and our legal counsel, Chapman Tripp, here with us today.

<< Slide 5: A SHIFT IN FOCUS>>

So, ladies and gentlemen, standing back and looking at 2022 from the Company's perspective, it is clear that the difficult economic, market and operating conditions that arose from the COVID-19 pandemic transitioned into quite material changes in both the global and domestic economies, and capital and investment markets, including property.

Despite the emergence of more difficult economic and market conditions, we are pleased to report to you that 2022 was another solid year for the Company. While our underlying leasing and asset management activity continued as normal, it was clear that market expectations and pricing were changing, and we took a much more opportunistic approach to our investment and divestment activity. On an overall basis, PFI had a much quieter year in terms of transactions. While demand for high-quality industrial properties in good locations remained high, it was harder to find new properties with the right long-term returns profile.

A shift in focus saw us looking to maximise the value of our existing assets, divesting assets where it made sense to do so and undertaking important activity behind the scenes to prepare PFI for the next cycle of growth. That activity included executing a buy-back of 3.6 million shares because, starting the process to bring facilities management in-house, moving

our team and operations to new premises and preparing for two major brownfield developments that will get underway this calendar year.

While there has been a distinct shift in sentiment affecting market pricing generally, the underlying dynamics of the sectors and assets in which we are invested remain strong. Tenant demand for industrial property remains high, vacancies are limited and in fact in some areas are at record lows, rentals continue to increase and construction in the sector continues at a healthy level.

As a professional landlord to the industrial sector, we have maintained our two-billion-dollar plus presence and that scale and profile continues to attract relationship and investment opportunities in our target markets. As expected, earnings were lower than last year's record result, but importantly when we step back and take in the 2019 and 2020 results, there is consistent upward movement over the medium term. Equally importantly, dividends rose again to 8.10 cents per share, an increase of 2.5% on last year. I'll come back to the dividend a little later.

#### **<< Slide 6: ROBUST PORTFOLIO >>**

At year end, our Funds From Operations were down 7.8% to 10.21 cents per share while Adjusted Funds From Operations reduced by 5.0% to 8.83 cents per share. However, occupancy remained at 100% and net rental income increased by \$1.4 million to \$95.6 million. Overall, we ended the year with a fully occupied industrial portfolio, comprising 94 properties and 132 tenants, valued at \$2.12 billion dollars, this following a \$56.7 million revision downwards in our valuations. Our Weighted Average Lease Term also decreased slightly but remained above the five-year mark. Not surprisingly, given general cost inflation, a lift in interest rates and the scarcity of experienced talent available, we incurred higher costs this year. Interest expenses, bank fees and administrative expenses all climbed as we continued to invest in our developments, our team, our premises and our systems.

#### **<< Slide 7: HEALTHY LEASING ACTIVITY >>**

On the other hand, ongoing high levels of demand for quality industrial space worked to our advantage in terms of rental revenues. We leased around 15% of our portfolio by rent or 104,000 square metres of space this year at rentals of around 12% above the previous contracted rent. Reviews of more than 100 leases worth \$62.8 million resulted in an average annual uplift of 4%. The end result was an increase in our contract rent from \$95.6 million last

year to \$98.2 million this year. By our calculations, our portfolio remains around 11% under-rented, giving us ample headroom to capture further market increases.

As a result of changes in market pricing during the year, net tangible assets reduced from a historic high in 2021 to 298.8 cents per share, still well above the 2020 result of 220.9 cents per share. I would like to stress that, during the 2022 year, there was considerable uncertainty as to the degree and longevity of the changes we were observing to both general economic conditions, and to market pricing, and we purposefully took a very careful approach. We had a particular focus in ensuring that our gearing remained low, we remain well covered in terms of capital, and we had an overall focus on making sure we have a solid balance sheet to take PFI forward into our next phase. In short, ladies and gentlemen, while it is clear we remain in difficult economic times, both globally and domestically, we are confident that our underlying portfolio and business are well placed.

#### <<Slide 8: ENVIRONMENTAL, SOCIAL AND GOVERNANCE>>

Last year, I spoke about the significant focus and effort we were investing into continuing to strengthen our strategic Environmental, Social and Governance or ESG framework. This year, we made pleasing and tangible progress in terms of our sustainability program. I want to call out six of these initiatives because, individually and collectively, they speak to our focus in this area and how actively we are adopting a sustainability lens to address longer term factors in more sophisticated ways.

During 2022, we refreshed our sustainability strategy. We completed the R22 refrigerant gas replacement project. We released our third Task Force on Climate-Related Financial Disclosures, or TCFD, report, within our Annual Report. We chose to specifically target 5 Green Star ratings for our Bowden and Springs road developments. We created a strategy to roll out solar across our portfolio. And finally, we started undertaking sustainable refurbishments. Simon will talk more about the exciting work happening in this area and what it means for PFI and our tenants going forward in a few minutes.

#### <<Slide 9: INCREASED CASH RETURNS FOR SHAREHOLDERS>>

Before that though, let me return to the subject of our dividend. Shareholder return has always been PFI's overriding imperative and steady growth in dividends is a key part of that, and one way we measure our success to you, our shareholders. The 2022 year has seen another increase in dividend, as I referred to earlier, with the Board declaring a cash dividend

of 8.10 cents per share, representing a pay-out of around 92% of Adjusted Funds From Operations for the year and 91% on a rolling three-year basis.

One of the key reasons we made the shift to a three-yearly dividend framework, you will recall, was to enable the Company to continue to steadily increase dividends even when activities or market temperament meant potentially less immediate earnings accretion. This year's dividend guidance demonstrates that. As I said last year, it protects our assurance to you, and it gives the Company the ability to reduce the impact of short-term market volatility and pursue opportunities that may take longer to materialise.

Our projection at this stage for next year is a dividend of between 8.10 and 8.30 cents per share and the upper end of that projection represents another 2.5% increase.

**<< Slide 10: CONFIDENT IN OUR STRATEGY >>**

Despite the changes in the market in the last 12 months, the Board and Management Team are confident that our strategy is strong and that the business case to deliver you stable returns is both compelling and achievable.

Our broader governance framework includes an ongoing focus on Board composition and capability, and we have previously referred to our Director selection and appointment process, and broader succession plan. In accordance with that plan, the Board made two Director appointments during the year and I would like to take a moment to welcome Carolyn Steele and Angela Bull to the Board. Both Carolyn and Angela have strong technical and commercial backgrounds, and each brings a different set of skills and past experience to the Board. We believe both are strong appointments and great additions to the wider PFI team and we very much look forward to working with Carolyn and Angela going forward. On behalf of the Board, I would also like to thank retiring Director Susan Peterson for her guidance and expertise during her time as a director of the Company.

In terms of succession, I have been on the PFI board for many years, initially as a Manager Appointee and for the past decade or so as an Independent Director. I would like to note that as part of our succession plan, I have advised the Company that it is my intention to step down from the Board at a time that suits the Company. Given we have recently farewelled Susan and welcomed Carolyn and Angela to the Board, the Board has asked that I continue as a Director and the chair for a further period. We will update shareholders in due course when PFI takes the next step in terms of our governance succession.

In terms of the environment we face, while the challenges of COVID-19 may now feel for many like they are behind us, the long-tail influences of the pandemic remain. What's more, the Ukraine war, rising interest rates globally, cooling consumer sentiment and speculation by some that things will get worse before they get better may have many feeling that we have swapped one type of uncertainty for another and that new, perhaps even broader, challenges loom. The recent banking crisis, and the immediacy of the impact this has had and will continue to have around the world, is a live example. The good news for us is that the demand for quality logistics space remains high and we have a portfolio comprising quality assets ideally suited to this sector.

PFI's long-term strategy and continued focus on industrial property has advanced on a range of fronts, and the Board is happy with progress. But that doesn't mean that we can continue on the same pathways as we have been on in recent years. In order to leverage our current scale and presence, the best way to take advantage of less frenetic market conditions is to maximise the value of the current portfolio. With large sites hard to come by and even harder to justify commercially, redesigning what we have from the ground up represents much better use of our capital.

In other words, this is very much the time for us to play to a different strength: careful capital management aimed at maximising what we have to deliver stable returns for investors. Last year, the team made good use of the drivers available to them through the strategy to do that, divest sensibly, and position the Company to continue to grow in the years ahead.

I will now hand over to Simon to comment on the year, where he sees PFI heading, and our two major brownfields opportunities.

**<< Slide 11: MANAGEMENT TEAM PRESENTATION >>**

**<< Simon Woodhams >>**

**<< Slide 12: READING PREVAILING MARKET CONDITIONS >>**

Thanks Ant, and good morning, everyone.

Once again, it's nice to be able to come together in person and reflect together on what has been an important year for us. Welcome back to those who regularly attend these meetings, and a warm welcome if you are joining us for the first time. Also, welcome to those who have opted to attend online.

As a Management Team and Board, we really enjoy being able to discuss and show you what we have been doing over the last 12 months, so let's get into it.

Today I am going to focus on two topics. Firstly, a subject that has dominated the news cycle for much of 2023 and will continue to be a major factor for the foreseeable future: our ability to plan for, and respond to, the challenges of climate change. This is something we have invested in as part of our overall approach to maximising our portfolio. I'll talk about what we're doing and how sustainability is influencing our approach to property. Secondly, I want to provide you with updates on two of our most important developments for the year ahead: Bowden and Springs road.

As Ant pointed out, 2022 was a quieter year for us in terms of transactions. There were good reasons for that. The properties that were available didn't meet our commercial criteria and as I have said in past years, we consider the merits of each and every acquisition, and divestment for that matter, very carefully. 2021 was a strong year transactionally, but during 2022 we bided our time and focused on adjusting and preparing our business for the years ahead.

Our strategy continues to focus on reading prevailing market conditions for opportunities, being intentional in our management style and making deliberate decisions in our specialist area that strike the right balance between short-term earnings and long-term value generation. Part of that is being specific about what constitutes a good PFI investment.

In terms of portfolio growth, we'll continue to grow our base through proactive and deliberate investments. Equally, our divestments this year have served two purposes. They have helped us continue to hone our portfolio, and they have recycled cash to enable us to continue looking for investments that benefit our investors, tenants, industry, people and planet.

Everything we've been doing behind the scenes this year has quietly aligned with these intentions. Our business thrives on two things, and both of them are people related. One is our strong tenant relationships. And the other is the expertise of our teams. We've paid a lot of attention to developing capable and agile teams within a distinctive and healthy culture, and last year's decision to bring facilities management in-house will bring us even closer to our tenants and enable us to serve them even better.



**<< Slide 13: SUSTAINABILITY STRATEGY >>**

Sustainability is an increasing focus for us. Going forward, we believe there can be no separation of our commercial and our sustainability goals.

This year we continued to make progress on our sustainability plans, while turning our attention to the next phase of that journey with the development of a refreshed sustainability strategy.

That new sustainability strategy is driven by six core principles: the Company will create a future-proofed and resilient portfolio, and we'll do that through infusing sustainability into all our refurbishments, developments, acquisitions and divestments going forward. We'll maximise the useful lifespan of our buildings, and that will have two effects. It will help us minimise waste and it will transform our core portfolio. We are determined to become a trusted partner for tenants in terms of sustainability and reducing greenhouse gas emissions. As a professional landlord to the industrial sector, we see that as a pivotal responsibility going forward. We'll collaborate with supply-chain partners to minimise waste and promote positive social impacts. We will focus on strong employee engagement and maintaining health and safety performance. And finally, we will maintain high standards of financial and governance performance.

Those six principles will be applied to five material focus areas: greenhouse gas emissions; resources and waste; disaster and climate resilience; people and wellbeing; and economic value.

The recent impacts of weather-related events on infrastructure, livelihoods, wellbeing and regional prosperity are a reminder that a changing natural world demands focused, integrated and yet patient responses. We understand that sustainability is not set and forget. Rather, it requires us to be responsive to our changing external environment, to constantly challenge ourselves to act in the best interests of all, and to remain open to trying new approaches. And all of this needs to take place within a context of the changing expectations of financial markets, regulators and our business partners.

Our strategy is about making sure that we do right by all our stakeholders; that our tenants have buildings they can rely on; that we continue to generate income that our investors can depend on; and that our buildings form the basis for industrial activities that support regional economies. Land choice and land use is critical. Energy choices need to be thought through carefully. We need to consider emissions holistically.

We have detailed our plans for emissions, resources and waste, disaster and climate resilience, people and wellbeing and economic value in our Annual Report and I would encourage you to take the time to find out more about our longer-term plans. Today I want to focus on one particular aspect: targeting Five Green Star certification as a minimum for our significant new buildings.

**<< Slide 14: SUSTAINABILITY STRATEGY >>**

Change doesn't just happen. If it is to be meaningful and not just reactive, it must be planned and designed. Over the past three years, we've really grown our understanding of the wider context of our organisation from an emissions perspective. We've identified that two types of emissions in particular have the most material impacts: emissions relating to developments and refurbishments, known as 'embodied carbon', and emissions relating to the operational performance of our buildings. Our ambition is to minimise both, and to do that we've said we'll build and refurbish in ways that reduce both embodied and operational greenhouse gas emissions, and we'll measure the operational performance of our buildings over time with a view to improving that performance.

The best way to lock in reduced impacts of course is when we are building from scratch. So we've agreed that when we develop significant new buildings or redevelop current sites, they'll be built to the latest sustainability standards by targeting a Five Green Star rating.

The advantage of the Green Star tool is that it's a holistic approach to ensuring a building performs to a range of sustainability standards. It ensures that we minimise the impact of building materials and practices on the environment and that the building is designed efficiently to minimise greenhouse gas emissions during operation of the building.

To further embed sustainability into all our thinking, we're also growing our in-house sustainable development capabilities.

**<< Slide 15: SUSTAINABILITY STRATEGY >>**

In terms of our other immediate targets, we've committed to a range of projects and key targets through to 2025. They include implementing power metering and monitoring for 50% of our properties by the end of 2025, installing solar systems at five buildings within the next three years and minimising and offsetting our residual scope 1 and 2 greenhouse gas emissions.

To finish my part of proceedings, I want to bring you up to speed with progress at our developments at Bowden and Springs roads. These developments are significant not only because of their brownfields potential but because we are targeting Five Green Star certification for both. As such, they serve as precedents and benchmarks for that blending of commercial and sustainability objectives I referred to earlier.

**<< Slide 16: BROWNFIELDS OPPORTUNITIES >>**

Let's start with Springs Road. We originally acquired this site in 2013 when PFI merged with Direct Property Fund. It's a large landholding – 10.4 hectares – in a prime location, with a long-term blue-chip tenant in the form of Fisher & Paykel Appliances and low site coverage that allows for future redevelopment.

**<< Slide 17: BROWNFIELDS OPPORTUNITIES >>**

In developing new buildings and refurbishing some of the existing buildings, we've recognised that we could incorporate best practice through better design and deliver a more sustainable, future-proofed, industrial estate. The multi-stage project will start by replacing one of the existing warehouses with a new 25,500 sqm storage and distribution warehouse targeting a Five Green Star rating. This stage should be completed by late 2024. An extension option will then enable Fisher & Paykel Appliances to increase the warehouse by up to 30,000 sqm should they wish to do so.

Sustainability features planned for the site include rainwater harvesting, the use of sustainable construction materials, electric vehicle charging stations, greenhouse gas emissions performance standards, and diversion of construction and demolition waste from landfill.

All up, this redevelopment enables us to target best-in-class Five Green Star new buildings, and to introduce further sustainable initiatives into this industrial estate. At the same time, and just as importantly, a 15-year lease to Fisher & Paykel Appliances will ensure that the project delivers accretion to both earnings and net tangible assets on a per-share basis.

The second example I want to talk about today is Bowden Road. If you were at this meeting last year you may recall that I cited this property as a great example of a brownfield opportunity. We purchased this site originally in 2013. Now, extensive redevelopment over the next two years will see the current manufacturing, storage and office buildings which

were constructed in the 1960's and are now obsolete, replaced with best-in-class storage and distribution warehousing. Again, we'll be targeting Five Green Star ratings for this property.

**<< Slide 18: BROWNFIELDS OPPORTUNITIES >>**

The existing lease expires next month and the first stage of the redevelopment will comprise a 7,000 sqm warehouse facility which Tokyo Food, the country's longest-standing Japanese foods importer, distributor and retailer, have already committed to with a 12-year lease. The forecast completion date is mid-2024.

**<< Slide 19: BROWNFIELDS OPPORTUNITIES >>**

The second stage of the development will be an 11,200 sqm high-stud warehouse, 800 sqm of office and amenities, along with a 2,900 sqm breezeway and 80 car parks. Due to the strength of the industrial market here in Auckland we have committed to this portion of the development without first securing a tenant.

In many ways, this redevelopment marks the start of a new era of development for us. Bowden Road will be our first fully Green Star-rated industrial estate and as such it will underpin our next era of evolution, both in terms of scale and sustainability, and endorse our ability to undertake large-scale highest-quality development.

We expect the development to be accretive to both earnings and net tangible assets on a per-share basis once fully leased. Sustainability features will include solar arrays, water retention, energy efficiency measures and use of building materials with a lower environmental impact.

Brownfield opportunities like Bowden Road will play a crucial role in embedding sustainability and resilience into our portfolio. I talked about this last year. In time, as projects complete and long-term leases are secured, these "brownfield opportunities" with their Green Star ratings will make their way into our "core generic" holdings. That in turn will free up more allocation for further "brownfield opportunities" in our portfolio, to repeat the process. So, brownfield opportunities like Springs and Bowden roads form an ongoing growth and sustainability engine for the Company, securing stable returns and strengthening our profile, credibility and influence in the sector.

**<< Slide 20: LOOKING AHEAD >>**

We finished 2022 in a good place. We recorded a steady underlying result. Demand is high. Rents are forecast to grow and under-renting within the current portfolio offers us a platform for further rental growth.

We have a clear path for development, and projects like Bowden and Springs road will lock in a range of gains for the Company in the years ahead. Our sustainability strategy is preparing us for tomorrow. Our strong balance sheet, proactive capital management and defensive portfolio give us confidence that we can look through short-term challenges and volatility and execute on exciting opportunities to continue growing a resilient industrial portfolio of scale. Doing that will enable us to maintain momentum while meeting investor expectations.

In terms of outlook, we may not see the record results of 2021 in the short to medium, but we are confident that we will deliver resilient results. And through that, we will set ourselves up for the next stage of our journey.

Just before I hand back to Ant, I would like to take a moment to thank you, our shareholders and other stakeholders, who continue to support PFI. As a Management Team and Board, we look forward to including you in our growth story, well into the future.

Thank you.

**<< Slide 21: SHAREHOLDER DISCUSSION >>**

Thank you, Simon.

There is now an opportunity for questions or comments on the presentations, or on the financial statements and auditor's report, which you can find from page 44 of the annual report.

For those here in person, if you raise your hand, we'll get a microphone to you, so that everyone can hear. Can you start by introducing yourself: your name and whether you're a shareholder or a proxy holder and, if you are a proxy holder, the name of the shareholder you are representing?

For virtual attendees, select the "Q&A" tab, type your question in the box and press "Send" to submit.

Thank you for your questions and comments.

**<< Slide22: ORDINARY RESOLUTIONS >>**

We will now move to the resolutions.

I've been advised that 324 shareholders, representing 167,584,210 shares or 33.37% of the Company's shares on issue, are represented by proxies.

Voting for the resolutions will be conducted by poll. For the purpose of the poll, I appoint the Company's registrar, Computershare, to carry out the poll.

The procedure for the conduct of the poll for in person attendees will be as follows:

- Voting papers have been provided with the notice of meeting, pens, where required, will be distributed now;
- If you do not have a voting paper, please see a Computershare representative at the registration desk who will provide you with a voting paper;
- Indicate your vote for, against or abstain, by placing a tick in the appropriate box;
- If you are here as a proxy for a shareholder who has not marked 'proxy discretion' on their proxy form, your vote will be automatically counted in accordance with the voting directions given by your appointer, but please sign the voting paper provided when you arrived at the meeting;
- Where you are a proxy holder and you have been granted a discretion on how to vote the resolution, please use the voting paper provided when you arrived at the meeting;
- After recording your vote, please remember to sign your voting paper, then place the voting paper in the boxes provided at the back of the room where they will be collected by Computershare staff.

Having collected the votes, they will be taken to a separate room for counting. The results of the poll will be announced via NZX as soon as they are available.

Please note that the Board recommends that you vote in favour of each of the six ordinary resolutions.

**<< Slide 23: RESOLUTION 01. >>**

Turning to the resolutions.

The first resolution is: *“That Angela Bull, (appointed by the Board as a Director on 20 February 2023), who retires and is eligible for election, be elected as a Director of the Company”.*

The Board considers Angela will be an Independent Director, if elected, and supports her election.

Angela was appointed as a Director of PFI in February 2023. She is an experienced director and executive in property investment and commercial developments. Angela is also a qualified lawyer with significant expertise in environment and property law. There is a profile of Angela in the notice of meeting.

Angela, would you like to say a few words?

**<< Angela to speak >>**

**<< Anthony Beverley >>**

Thank you, Angela.

The resolution is: *“That Angela Bull, (appointed by the Board as a Director on 20 February 2023), who retires and is eligible for election, be elected as a Director of the Company”.*

Is there any discussion?

Please mark your voting papers for resolution one, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

As the next resolution is in respect of my re-election, I would like to call upon our People Committee Chair, Dean, to chair the meeting.

**<< Dean Bracewell chaired the meeting >>**

**<< Slide 24: RESOLUTION 02. >>**

Thank you, Anthony.

The second resolution is “*That Anthony Beverley, who retires and is eligible for election, be elected as a Director of the Company.*”

The Board considers Anthony will be an Independent Director, if elected, and supports his re-election.

Anthony is well-known to many of you, having joined the PFI Board in 2001. There is a profile of Anthony in the notice of meeting.

The resolution is: “*That Anthony Beverley, who retires and is eligible for election, be elected as a Director of the Company*”

Is there any discussion?

Please mark your voting papers for resolution two, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

I will now hand the meeting back to Anthony.

**<< Slide 25: RESOLUTION 03. >>**

**<< Anthony Beverley >>**

Thank you, Dean.

The third resolution is “*That Carolyn Steele (appointed by the Board as a Director on 22 August 2022), who retires and is eligible for election, be elected as a Director of the Company.*”

The Board considers Carolyn will be an Independent Director, if elected, and supports her election.

Carolyn was appointed as a Director of PFI in August 2022. She has a background in investment management, capital markets and mergers and acquisitions, and currently chairs PFI’s Audit and Risk Committee. There is a profile of Carolyn in the notice of meeting.

Carolyn, would you like to say a few words?



**<< Carolyn Steele to speak >>**

**<< Anthony Beverley >>**

Thank you, Carolyn.

The resolution is: *“That Carolyn Steele, (appointed by the Board as a Director on 22 August 2022), who retires and is eligible for election, be elected as a Director of the Company.”*

Is there any discussion?

Please mark your voting papers for resolution three, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

**<< Slide 26: RESOLUTION 04. >>**

The fourth resolution is *“That Dean Bracewell, who retires and is eligible for election, be elected as a Director of the Company.”*

The Board considers Dean will be an Independent Director, if elected, and supports his re-election.

Dean has been a Director of PFI since November 2019 and currently chairs PFI’s People Committee. There is a profile of Dean in the notice of meeting.

Dean, would you like to say a few words?

**<< Dean Bracewell to speak >>**

**<< Anthony Beverley >>**

The resolution is: *“That Dean Bracewell, who retires and is eligible for re-election, be elected as a Director of the Company.”*

Is there any discussion?

Please mark your voting papers for resolution four, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

**<< Slide 27: RESOLUTION 05. >>**

The fifth resolution is *“That the Directors are authorised to fix the fees and expenses of the auditors, PricewaterhouseCoopers Auckland.”*

Is there any discussion?

Please mark your voting papers for resolution five, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

**<< Slide 28: RESOLUTION 06. >>**

The sixth, and final resolution, is *“That the Directors are 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 of the Notice of Meeting.”*

In setting the proposed rates, the Board commissioned an independent benchmarking review of the current level of Directors’ fees by Ernst & Young. A summary of Ernst & Young’s report recommending increases to the fees has been made available to shareholders on PFI’s website. In requesting this review and setting the proposed Directors’ fees to be put to shareholders, the Board has also considered the continued robust performance of the Company and the need to attract and retain directors of a strong calibre.

The proposed rates are set out in the notice of meeting, and if resolution 6 is approved by shareholders today the set rates will apply from the close of this meeting.

The sixth resolution *“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.”*

Is there any discussion?

Please mark your voting papers for resolution six, or for virtual attendees, select your voting choice from the options shown under the “Vote” tab on your screen.

We will just give you all a moment to finalise voting, and then I will close the poll.

The poll is now closed, thank you.

**<< Slide 29: GENERAL BUSINESS >>**

We now come to general business.

If there is something you wish to put to the meeting, could you raise your hand and we'll get one of the microphones to you? A reminder to please state your name and whether you are a shareholder or proxy holder. If you are attending virtually, press the "Q&A" tab on your computer, tablet or mobile, and then type and press "Send" to submit your question.

As mentioned earlier, we will try to get to as many of the questions as possible, but not all questions may be able to be answered. In this case, questions will be followed up after the meeting.

**<< Slide 30: CLOSE OF MEETING >>**

Thank you for your continued support of PFI, and for your attendance today.

That ends the formal part of the meeting and I declare the voting and the meeting closed.

For those here in person, feel free to join us for light refreshments and further conversation.

**<< Slide 31: DISCLAIMER >>**