

NOTICE OF 2021 ANNUAL MEETING

14 October 2021

To be held virtually at
www.lic.co.nz/annualmeeting



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Defined terms

Unless otherwise indicated, capitalised terms used in this document have the specific meaning given to them in the Glossary on page 23 of this document.

Enquiries

If you have any questions about the number of Shares you hold in LIC, or how to vote or complete the Voting Form, please contact the Election Helpline on 09 375 5998

Notice of Annual Meeting

Notice is given that the 2021 Annual Meeting of the Shareholders of Livestock Improvement Corporation Limited will be held virtually at www.lic.co.nz/annualmeeting on Thursday 14 October 2021 commencing at 10.30 am. Due to ongoing uncertainty of COVID-19 and the need to protect LIC's people at this critical time, LIC is holding its 2021 Annual Meeting virtual only.

Item 1: To receive and consider the Company's Financial Statements for the year ending 31 May 2021 and the associated Directors' and auditor's reports, all as set out in the Annual Report.¹

Item 2: Resolution 1: Approval of LIC Directors' Remuneration

To receive and consider the LIC Honoraria Committee's recommendation as to Directors remuneration, and if thought fit, to resolve by way of ordinary resolution to:

"Approve the total remuneration of all Directors being increased from \$669,600 to \$732,500 (with that remuneration to apply to up to 10 Directors in total, allowing for the option of an additional Appointed Director)"

Item 3: Resolution 2: Approval of LIC Shareholder Reference Group Remuneration

To receive and consider the LIC Honoraria Committee's recommendation as to Shareholder Reference Group's remuneration, and if thought fit, to resolve by way of ordinary resolution to:

"Approve the total remuneration of all Shareholder Reference Group members being increased from \$134,000 to \$171,000"

Item 4: Resolution 3: To reappoint KPMG as external auditor

To consider, and if thought fit, to resolve by way of ordinary resolution to:

"Reappoint the chartered accountancy partnership KPMG as the auditor until the conclusion of the Company's next Annual Meeting, and that the Directors be authorised to fix its remuneration."

¹ Available on LIC's website (www.lic.co.nz/shareholders/annual-reports) or on request, phone (07) 856 0700.

Item 5: Resolution 4: To ratify the reappointment of Candace Kinser as an Appointed Director

To consider, and if thought fit, to resolve by way of ordinary resolution to:

"Ratify the reappointment of Candace Kinser as an Appointed Director for a term expiring at the conclusion of the third annual meeting following this Annual Meeting (approximately three years)."

Item 6: Resolution 5: Appointment of Gordon Glentworth to the Honoraria Committee

To consider, and if thought fit, to resolve by way of ordinary resolution to:

"Approve the appointment of Gordon Glentworth to the Honoraria Committee, with effect from the conclusion of this annual meeting."

Item 7: Resolution 6: Re-appointment of Ian Brown to the Honoraria Committee

To consider, and if thought fit, to resolve by way of ordinary resolution to:

"Approve the re-appointment of Ian Brown to the Honoraria Committee, with effect from the conclusion of this annual meeting."

Item 8: General business.

Closure: 12.30 pm.

Procedural notes

- (a) *Explanatory Notes relating to the resolutions above are set out in the following pages.*
- (b) *Resolutions 1 to 6 need to be passed by ordinary resolutions, i.e. by a simple majority of the votes of those Shareholders entitled to vote and voting on the relevant resolution.*
- (c) *LIC uses the First Past the Post system for Board, Shareholder Reference Group and Honoraria Committee elections.*
- (d) *In accordance with the Constitution, no person may exercise, or control the exercise of, more than 1% of the maximum number of votes that may be exercised at a meeting of LIC.*
- (e) *For each resolution, the votes counted include valid postal votes, electronic votes, and the votes of proxies and representatives.*
- (f) *All resolutions will be determined on the basis of a poll and in accordance with NZX Listing Rule 6.1.1.*

Explanatory Notes - Part A

Items 2 & 3: To receive and consider the LIC Shareholder Honoraria Committee's recommendation to increase the current level of Directors' and Shareholder Reference Group's remuneration.

Honoraria Committee

In accordance with clause 24.2 of the Constitution, the Honoraria Committee is made up of between two to four independent farmer Shareholders who are elected by Shareholders.

The role of the Committee is to consider and recommend the form and amount of the remuneration of Directors and Shareholder Reference Group members. Committee members are Ian Brown (Chair), Paul Todd, Scott Montgomerie and Shirley Trumper. This year, the Committee met formally on three occasions to review current remuneration levels.

The Honoraria Committee, following consultation with the LIC Board and the Chair of the Shareholder Reference Group, consider it is appropriate to include in this year's recommendation to shareholders the increase that was put on hold last year due to the potential impact of COVID-19 as well as the increase that they consider necessary this year.

In addition, the recommended remuneration for the Board as a whole includes provision for a 4th Appointed Director should the board wish to appoint a further independent director at any point in time during the year (noting that any such appointment would need to be ratified by shareholders at the next meeting of shareholders).

Director Honoraria

It is imperative that LIC maintains a high caliber of Directors on its Board. Elected Directors bring a strong understanding of the co-operative as well as the New Zealand market.

Appointed Directors bring to the Board a balance of skills and experience relating to international markets, mergers and acquisitions, health and safety, technology, finance and risk, and often have exposure to other complex businesses.

The Committee acknowledges that last year an increase of 5.18% for the Chair and 4.60% for Directors would have been recommended to shareholders had it not been for the unknown impact of COVID-19 on the Company.

Prior to that, the previous two years have seen the honoraria for the LIC Board increase slightly each year in order to recognise the time and commitment required to as a director of LIC and to maintain relative remuneration parity with similar organisations. The Governance Review was voted in by Shareholders at last year's annual meeting and this review resulted in the size of the Board reducing by one elected board member. The board however can appoint an extra Appointed Director should the need arise. The recommended remuneration pool includes provision from that extra Appointed Director.

This year the Committee recommends a further increase of 6.19% for Directors and 1.92% for the Chair.

The Committee recommends an overall increase to the base honoraria of the Directors and the Chair this year resulting in total remuneration at \$732,500.

Shareholder Reference Group Honoraria

Shareholders also voted in at the annual meeting last year the change from the Shareholder Council with 21 Councillors to the Shareholder Reference Group (SRG) with 12 members, 8 of which are elected and 4 appointed. The role of the Shareholder Reference Group differs to that of the Board in that it is a body whose role is to promote the interests of Shareholders and to assist the Company to deliver on its purpose and vision.

There are very few organisations which have a body similar to the SRG given its unique role. As such, the Honoraria Committee has very few organisations which it can use for direct comparison when it comes to SRG members' honoraria.

The Committee acknowledges that the SRG's workload increased over the past year due to its change in structure. Given the complexity of the LIC business, the Honoraria Committee had intended to recommend an adjustment to ensure fair recognition of the time off farm, and the personal commitment of SRG members. The amount paid to previous members of the Shareholder Council, including the Deputy Chair of the Council has not been increased since 2013. The Chair of the Shareholder Council received small increases in 2017 and 2018. Last year, an increase of 8.33% to the Chair, 11.11% to the Deputy Chair and 51.11% for SRG members would have been recommended but was not implemented due to COVID-19.

This year, the Committee recommends an increase from current remuneration rates by 7.69% for the Chair, 60.00% for the Deputy Chair and 71.43% for SRG members. This increase reflects the growth in the workload of all SRG members and the lack of increases since 2013.

The Committee recommended an increase to the current level of Shareholder Reference Group member's remuneration taking it to a total remuneration pool of \$171,000 and to maintain the daily allowance of \$320.

In the unlikely event that LIC Shareholders do not approve resolution 2, SRG members would continue to be remunerated on the current remuneration amounts previously approved.

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The current and proposed remuneration of LIC Directors and Shareholder Reference Group is as follows:

Board of Directors				
	Pre-Governance Review *	Proposed 2020 Increase**	Proposed 2021 Increase***	Proposed Remuneration post 2021 Annual Meeting ***
Chair	\$123,600	\$6,400	\$2,500	\$132,500
Each of the other Directors	\$54,000	\$2,500	\$3,500	\$60,000
Maximum sum available to reimburse for additional duties & skills #	\$60,000	\$0.00	\$0.00	\$60,000
Total for LIC Board	\$669,600	\$26,400	\$30,500	\$672,500
Provision for potential 4th Appointed Director			\$60,000##	\$60,000
Total for LIC Board including additional 4th Appointed Director			\$90,500	\$732,500

* based on a Board of ten directors, as approved by shareholders in 2019

** based on a Board of nine directors post governance changes

*** based on a Board of nine directors but with allowance for the Board to appoint a 4th Appointed Director if the Board should decide that the addition of further skills/expertise is necessary (taking the Board to ten directors)

maximum pool available to the Board to compensate directors for additional attendances and/or special skills, including for roles as Committee Chairs

to be paid on a pro-rata basis for appointments of less than one year

Shareholder Reference Group				
	Pre-Governance Review *	Proposed 2020 Increase**	Proposed 2021 Increase**	Proposed Remuneration post 2021 Annual Meeting **
Chair	\$30,000	\$2,500	\$2,500	\$35,000
Deputy Chair	\$9,000	\$1,000	\$6,000	\$16,000
Each of the other 10 SRG members	\$5,000	\$2,000	\$5,000	\$12,000
Total for Shareholder Reference Group as a whole	\$89,000 **	\$23,500	\$58,500	\$171,000
Daily Allowance				
Daily Allowance	\$320	\$0	\$0	\$320
*Initial SRG remuneration was based on Shareholder Council remuneration levels as previously approved by shareholders				
** based on the SRG of 12 members				

Item 4 - Resolution 3: To reappoint KPMG as external auditor

To consider, and if thought fit, to resolve by way of ordinary resolution to reappoint the chartered accountancy partnership KPMG as the Auditor until the conclusion of the Company's next Annual Meeting, and that the Directors be authorised to fix its remuneration.

Explanatory Note:

The Board recommends to Shareholders that KPMG be reappointed as the external Auditor for the current year

Item 5 - Resolution 4: To ratify the reappointment of Candace Kinser as an Appointed Director



Candace has held a number of senior roles in the biotech and technology sector including over a decade of experience as a CEO and Board Director on private, Crown and NZX listed boards. In 2012, when she was the CEO of NZTECH, she was behind the creation of TechWeek, the annual technology festival in New Zealand and was the founder of NZTECH Women as well as a supporting founder for ShadowTech, helping young women into careers in technology.

Candace is currently the Chair for Cancer Society Auckland/ Northland, on the board of NZ Health Partnerships and works with the University of Auckland Return on Science national research commercialisation programme. Her driving passion is leveraging growth-focussed, innovative health, science and technology strategies across organisations.

With advanced qualifications in business, governance and technology, Candace has had experience growing companies on the world stage as the CEO of genetics software company Biomatters through to first-hand experience in preparing and listing a technology company on the NZX as a Director of EROAD.

Candace was a Finalist in the 2019 Westpac Women of Influence Awards for Board & Management and was the recipient of the Leadership Award for the 2017 AUT Business Awards and is a regular speaker at conferences on the topic of technology innovation and business growth.

Candace was appointed to the Board in October 2015 and currently chairs LIC's Technology Advisory Board.

QUALIFICATIONS

- BA(Hons) in Anthropology & Political Science (University of Hawaii)
- PGDip in International Business (Massey University)
- Masters of Management (Massey University)
- Short form MBA in Bio-Pharma (Rutgers University)
- Post-graduate studies in Governance and Risk Management in Asian Business (University of Melbourne)
- Cybersecurity: Technology, Application and Policy (Massachusetts Institute of Technology)
- Stanford University Rock School of Governance

OTHER CURRENT DIRECTORSHIPS HELD

- Cancer Society of New Zealand Incorporated
- Eastland Group Limited
 - Eastland Port Limited
 - Eastland Network Limited
 - Gisborne Airport Limited
- New Zealand Health Partnerships Limited

Chair of:

Cancer Society of New Zealand Auckland Northland Division Incorporated.

Investment Committee Member:

Return on Science Investment Scheme at the University of Auckland.

The Board requests shareholders ratify Candace's appointment for a further term until the third annual meeting from the date of this Annual Meeting (approximately three years) and continues to consider her to be an Independent Director for the purposes of the NZX Listing Rules.

Items 6 & 7: Approving the appointment of Honoraria Committee members

Explanatory note:

Pursuant to the Constitution, Honoraria Committee members must be elected by shareholders (and there are no voting restrictions on these elections). Each member of the Honoraria Committee shall hold office for approximately a two-year period and shall retire by rotation at the conclusion of the second annual meeting following the Honoraria Committee member's appointment.

In the event where either (or both) candidates are unsuccessful in receiving shareholder approval, the Committee will continue to have a sufficient number of members to continue to carry out the functions as set out under the Constitution (further information about the Honoraria Committee is set out under the explanatory notes for items 2 and 3 above).

Biographical information on the candidates are included below.



Gordon Glentworth

Gordon is a hands on dairy farmer milking approximately 270 cows with his son Jonathan, near Kapunga, Taranaki.

Gordon has been involved with LIC over the past 30 years. He was elected to the Taranaki LIA board in 1988 and was Vice Chairman at the time of the merger of the six Regional Boards that formed LIC. Gordon was member of the former LIC Shareholder Council until December 2020.

His experience outside LIC include serving on the Board of the NZ Ayrshire Association since 1989 and Gordon has completed two terms as its President. He joined the AB Committee in 1991 and is currently the Chair of that Committee. In 2000, Gordon was elected to the World Ayrshire Federation, and held this position until 2020, during that time he completed a four-year term as World President.

Gordon is currently a member of the Eltham District Veterinary Service Board (since 1992) and is the current National Chairman of the NZ Vet Club Association.

"It is with this experience that I am well aware of the commitment required to fulfil positions within various organisations and with this in mind, I seek the opportunity to assist in the LIC Honoraria Committee deliberations, ensuring that an honest and fair remuneration is achieved for the various positions within the LIC Board and the Shareholder Reference Group."



Ian Brown

Ian has been part of the Honoraria Committee since June 2017 and was appointed the Chair of the Committee in February 2020.

Ian has been actively involved in the dairy industry for over 30 years and continues to have an active interest in industry issues. In partnership with his wife Karyn, they farm their own property in Tokoroa, South Waikato.

Ian has represented the South Waikato on the Fonterra Shareholders' Council for over 11 years, serving as Chairman for three years in 2012 to 2015. He has also been involved in wider industry activities, organising and judging the Sharemilker of the Year Competition and as a committee member of South Waikato Dairy Push Initiative.

Ian currently represents DairyNZ on the Ospri Stakeholders Council and as a member of the DairyNZ Farmer Audit panel.

Ian has completed a Graduate Diploma in Rural Studies (Distinction 2006) and Kellogg Rural Leadership Course 2007.

"I am re-standing for the position because I believe I can make a positive contribution to the LIC Honoraria Committee."

Format of the Meeting

The 2021 Annual Meeting will be a virtual meeting only, where shareholders will be able to attend and participate on line at www.lic.co.nz/annualmeeting.

Shareholders will be able to vote electronically, by post, or by appointing a proxy.

Shareholders can attend and participate virtually from anywhere in the country through the LIC website (www.lic.co.nz/annualmeeting).

How to Cast a Vote

Shareholders can vote in one of the following ways:

- 1) **Electronic voting**
- 2) **Postal voting**
- 3) **Appoint a LIC Director or Shareholder Reference Group member, or another person, as your proxy**
- 4) **Voting at the Annual Meeting**

Shareholders are encouraged to vote either electronically (via LIC's website), by post or by appointing a proxy. Advanced electronic voting closes at 10.30 am on Tuesday 12 October but shareholders who attend the annual meeting, will be able to cast their vote during the meeting, if they have not already done so.

Please choose only one voting option.

Detailed instructions on each method of voting and how to vote are included within the Voting Form.

Full details on how to return your Voting Form to Link Market Services Limited are available at the end of this section.

A Director or Shareholder Reference Group member of LIC who is appointed as a proxy and is given discretion as to how to vote will vote in what he or she believes to be the best interests of LIC. A proxy need not be a shareholder of LIC.

You may appoint the Chair of the Board to be your proxy but a proxy is not entitled to exercise more than 1% of the maximum number of votes that may be exercised at a meeting of the Company. Accordingly, if the Chair is named as proxy by you and by a number of other shareholders, then they may not be able to cast your votes.

Therefore, it is preferable to nominate a proxy from your Region.

The proxy appointment section of the Voting Form must be completed, signed and received by Link Market Services Limited no later than 10.30 am on 12 October 2021.

If you are using postal voting or appointing a proxy, return your Voting Form to Link Market Services in any of the following ways:

- **mail** to Link Market Services Limited in the reply paid envelope provided; or
- **deliver** to Link Market Services Limited, Level 30, PwC Tower, 15 Customs Street West, Auckland 1010 or
- **fax** to 09 375 5990 or
- **scan and email** to meetings@linkmarketservices.com (please put the words "LIC Annual Meeting" in the subject line for easy identification).

If you are not attending and voting at the Annual Meeting, your advance electronic vote must be cast or your Voting Form must be received by Link Market Services Limited no later than 10.30 am on 12 October 2021 to be valid.

The Board has appointed Melanie Tonkin as the Returning Officer. She has authorised Link Market Services Limited to receive, record and count all postal votes, electronic votes and proxy votes.

If you have any questions regarding the voting, please contact the Election Helpline on 09 375 5990

Please Note:

- (a) Please choose only one voting option.
- (b) Multiple herd owners need to vote on each Voting Paper received individually.

Voting Restrictions

There is a 1% voting cap which applies to all LIC shareholders pursuant to the Dairy Industry Restructuring Act 2001 and the Constitution. The 1% voting cap is calculated based on the number of votes that may be exercised at this meeting (and so excludes treasury stock and other restricted securities).

Any LIC shareholder who holds more than 1% of LIC's Shares on issue will be limited in their ability to vote to the equivalent of 1% of the votes cast on the resolution. Where a particular shareholder has multiple holdings across different entities or debtor codes, restrictions will apply to all affected voting securities on a pro-rata basis.

Under NZX Listing Rule 6.3.1, the Directors and their Associated Persons are disqualified from voting on Resolution 1. This extends to a Director who has been appointed with a discretionary proxy. A Director is only entitled to exercise a proxy for this Resolution where the shareholder has provided that Director with an express instruction setting out how to exercise that shareholder's vote.

Disclosure of financial assistance as required under the Companies Act 1993

LIC's Board has approved the provision of financial assistance in relation to three schemes that are available to eligible LIC Shareholders, directors and/or employees.

These are:

- (a) LIC Employee Share Scheme;
- (b) LIC Voluntary Investment Scheme; and
- (c) LIC Dividend Reinvestment Plan.

Details relating to how much financial assistance LIC intends to provide and the relevant considerations by the Board are set out below. The Directors who voted in favour of this resolution have signed certificates in accordance with sections 77(2) and 78(3) of Companies Act

LIC Employee Share Scheme

LIC will provide financial assistance to those employees who elect to participate in the LIC Employee Share Scheme (Employee Scheme) which from 1 April 2011 has been managed by Craigs Investment Partners Ltd (Craigs) with Custodial Services Ltd acting as custodian (Custodian). LIC proposes to pay the Manager's and the Custodian's fees and expenses (including brokerage). The amount of the fee will depend on how many employees participate in the Employee Scheme and the level of their contribution. An estimate of the net amount of financial assistance in the next 12 months is \$18,000.

The Board resolved on 21 July 2021 that LIC should provide this financial assistance (Employee Scheme Assistance) for the period of twelve months commencing 10 working days after the date of sending this disclosure to Shareholders, and that the giving of the Employee Scheme Assistance is in the best interests of LIC and is of benefit to Shareholders not receiving that financial assistance; and that the terms and conditions under which the Employee Scheme Assistance is given are fair and reasonable to LIC and to the Shareholders not receiving that financial assistance. The grounds for the Board's conclusions are as follows:

- (a) The Employee Scheme is a valuable addition to the benefits available to the employees of LIC and will assist in retaining them as valuable staff.
- (b) The Employee Scheme is a method of aligning the interests of employees with the interests of Shareholders and is an effective means of motivating future performance of the employees.
- (c) Shareholders will not be diluted or otherwise disadvantaged as no new LIC Shares are being issued under the Employee Scheme.
- (d) The Employee Scheme will enhance the liquidity in the market for the LIC Shares, providing a more liquid market for Shareholders wishing to trade in LIC Shares.
- (e) The amount of financial assistance is minimal in comparison to the benefits arising out of the Employee Scheme for Shareholders and LIC.

LIC Voluntary Investment Scheme

LIC will provide financial assistance to those eligible Shareholders who elect to participate in the Voluntary Investment Scheme (Investment Scheme) by agreeing to pay to Guardian Trust Company of New Zealand Limited (Guardian Trust) as the Approved Holding Entity the services and administration fees and brokerage and commission costs incurred for the purposes of the Voluntary Investment Scheme. Craigs has been appointed as the Broker to purchase Ordinary Shares on the NZX market for the purposes of the Investment Scheme, and the money paid by LIC to Guardian Trust as Approved Holding Entity will include the administration fee, brokerage and commission costs of Craigs.

LIC is required to make disclosure to all Shareholders in respect of this proposed financial assistance. The exact amount of this financial assistance depends upon the extent to which eligible Shareholders participate in the Investment Scheme. An estimate of the net amount of financial assistance in the next 12 months is \$12,000.

The Board resolved on 21 July 2021 that LIC should provide the financial assistance referred to above (VIS Assistance) for the period of twelve months commencing 10 working days after the date of sending this disclosure to Shareholders, and that the giving of the VIS Assistance is in the best interests of LIC and is a benefit to Shareholders not receiving that financial assistance; and that the terms and conditions under which the VIS Assistance is given are fair and reasonable to LIC and to the Shareholders not receiving that financial assistance. The grounds for the Board's conclusions are in essence:

- (a) The VIS Assistance enables LIC to provide directors and senior managers who are eligible to be shareholders with a means of acquiring additional LIC Shares through a fixed trading plan implemented in advance.
- (b) The VIS Assistance is a method of aligning eligible Shareholders with the interests of the Company by providing a legally compliant way of acquiring LIC Shares by individuals who may otherwise be restricted from trading from time to time.
- (c) The additional LIC Shares will be acquired by Craigs either through on-market transactions or from LIC.
- (d) Participating Shareholders will, as far as is practicable, pay a uniform price in relation to a season.
- (e) The Investment Scheme will enhance the liquidity in the market for LIC Shares, providing a more liquid market for both participating and non-participating Shareholders wishing to trade in LIC Shares.
- (f) The Investment Scheme enables LIC to offer eligible Shareholders a mechanism to invest in LIC Shares without resulting in unnecessary new capital being raised through the issue of new LIC Shares.

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LIC Dividend Reinvestment Plan

LIC has provided financial assistance to those Shareholders who elect to participate in the Dividend Reinvestment Plan (Dividend Plan) by agreeing to pay to Guardian Trust as the Approved Holding Entity the services and administration fees and brokerage and commission costs incurred for the purposes of the Dividend Plan. Craigs has been appointed as the Broker to purchase Ordinary Shares on the NZX market for the purposes of the Dividend Plan, and the moneys paid by LIC to Guardian Trust as Approved Holding Entity will include the administration fee, brokerage and commission costs of Craigs.

LIC is required to make disclosure to all Shareholders in respect of this proposed financial assistance. The exact amount of this financial assistance will depend upon the extent to which Shareholders participate in the Dividend Plan. An estimate of the net amount of financial assistance in the next 12 months is \$15,000.

The Board resolved on 21 July 2021 that LIC should provide the financial assistance referred to above (Dividend Plan Financial Assistance), for the period of 12 months commencing 10 working days after sending this disclosure to Shareholders, and that the giving of the Dividend Plan Financial Assistance is in the best interests of LIC and is of benefit to Shareholders not receiving that financial assistance; and that the terms and conditions under which the Dividend Plan Financial Assistance is given are fair and reasonable to LIC and to the Shareholders not receiving that financial assistance. The grounds for the Board's conclusions are:

- (a) The Dividend Plan Financial Assistance enables LIC to provide Shareholders with an efficient means of acquiring additional LIC Shares without incurring transaction costs which they would otherwise incur.
- (b) The Dividend Plan Financial Assistance is available to all eligible shareholders, giving equal opportunity to participate in the benefits of the Dividend Plan.
- (c) The additional Shares can be acquired by Craigs through on-market transactions, by the transfer of LIC Shares held as treasury stock and/or subscribing for new shares (on behalf of the Shareholder).

- (d) Participating Shareholders will pay no greater than the higher of:
 - (i) the volume-weighted average price of shares trading on the NZX market during the 20 Business Days prior to the date that the Board determines to issue shares from treasury stock; and
 - (ii) the average NZX market price paid by Craigs on behalf of Participants for on-market acquisitions
- (e) The Dividend Plan will enhance the liquidity in the market for the LIC Shares, providing a more liquid market for both participating and non-participating Shareholders wishing to trade in LIC Shares.
- (f) The Dividend Plan enables LIC to offer Shareholders a mechanism to reinvest dividends in Shares without resulting in new capital being raised through the issue of new LIC Shares; and
- (g) The amount of financial assistance is minimal in comparison to the benefits arising out of the Dividend Plan for shareholders and LIC.

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Glossary

Annual Meeting means the 2021 annual meeting of Shareholders to be held online at www.lic.co.nz/annualmeeting.

Appointed Directors means directors appointed by the Board of LIC pursuant to the Constitution.

Board means the Directors numbering not less than the required quorum acting together as a board of Directors.

Business Day has the meaning given to 'Working Day' in the Companies Act.

Companies Act means Companies Act 1993.

Company or **LIC** means Livestock Improvement Corporation Limited.

Constitution means the constitution of LIC.

Directors means the directors for the time being of the Company.

Elected Directors means directors elected by Shareholders pursuant to the Constitution.

LIC Share means a share in the capital of the Company that has been or may be issued from time to time, which has the rights set out in section 36(1) of the Companies Act.

Listing Rules means the NZX Listing Rules, dated 1 January 2021, which relate to the NZX Main Board as amended from time to time, and may be a reference to a particular Rule or Rules as specified.

NZX means NZX Limited.

Region means a geographical area designated as a 'Region' pursuant to the Constitution.

Returning Officer has the meaning given in the Constitution.

Shareholder means a person whose name is entered in the register of security holders maintained by the Company as the holder for the time being of one or more Shares.

Shareholder Reference Group or **SRG** means the Shareholder Reference Group member.

Voting Form means the combined proxy appointment and voting form to be used for the purposes of the Annual Meeting.

Directory

LIC

**Livestock Improvement Corporation
Limited**

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Newstead,
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Election helpline

09 375 5990

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