

# Notice of Annual Meeting of Shareholders



Restaurant Brands New Zealand Limited



Notice is given that the 21st Annual Meeting of shareholders of Restaurant Brands New Zealand Limited (the Company) will be held in the Chancellor 1 Room, Level 16, James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington on Thursday 21 June 2018, commencing at 11.00am.

## Agenda

### 1. Chairman's address

### 2. Group Chief Executive Officer's review

### 3. Shareholder questions

### 4. Re-election of directors

In accordance with the constitution of the Company, Mr Ted van Arkel retires by rotation and, being eligible, offers himself for re-election.

**Resolution 1:** That Mr Ted van Arkel be re-elected as a director.

In accordance with the constitution of the Company, Mr Stephen Copulos retires by rotation and, being eligible, offers himself for re-election.

**Resolution 2:** That Mr Stephen Copulos be re-elected as a director.

### 5. Directors' remuneration

To authorise an increase in directors' fees by \$75,000 per annum from \$400,000 per annum to \$475,000 per annum (refer to explanatory note below).

**Resolution 3:** That the directors' fees be increased from \$400,000 to \$475,000 per annum, being the aggregate payable to all directors of the company for their services as directors of the company and its subsidiaries, with such sum to be divided amongst the directors as the board may from time to time determine.

### 6. Auditors

To authorise the board of directors to fix the auditors' remuneration for the ensuing year.

**Resolution 4:** That the board of directors be authorised to fix the auditors' remuneration for the ensuing year.

### 7. General business

To consider any other matter that may lawfully be considered at the meeting.

Further information regarding resolutions 1 to 4 is set out in the explanatory notes.

By order of the board



G R Ellis  
Company Secretary  
22 May 2018

## Procedural notes

1. All shareholders who are registered as shareholders as at 5.00pm New Zealand time on Wednesday 20 June 2018 may attend and vote at the Annual Meeting. Any shareholder who is entitled to attend and vote at the Annual Meeting may appoint a proxy to attend and vote in their place.
2. If a shareholder wishes to appoint a proxy, that shareholder should complete the proxy form which is enclosed with this notice of meeting, or follow the instructions on the proxy form to lodge its proxy online. A proxy need not be a shareholder of the Company. If a shareholder wishes, it may appoint "the Chairman of the Meeting" as that shareholder's proxy.
3. A body corporate, which is a shareholder of the Company, may appoint a representative to attend the Annual Meeting on its behalf in the same manner as that in which it would appoint a proxy. A representative will have the same rights and powers as if the representative were a proxy.
4. Proxy forms must be returned to the office of Restaurant Brands New Zealand Limited's share registrar, Computershare Investor Services Limited, either by fax to +64 9 488 8787, by delivery to Level 2, 159 Hurstmere Road, Takapuna, Auckland, New Zealand or by mail to Private Bag 92 119, Auckland 1142, New Zealand so as to be received not later than 11.00am on Tuesday 19 June 2018.
5. Each resolution is to be considered as an ordinary resolution. To be passed, an ordinary resolution requires the approval of a simple majority of the votes cast on that resolution.
6. Pursuant to the NZX Main Board Listing Rules, each of the directors of the Company (including the Chairman) and their respective Associated Persons (as defined in the NZX Main Board Listing Rules) are disqualified from voting on Resolution 3 – Director Remuneration. A person appointed as a proxy who is disqualified from voting on a resolution may vote in accordance with the directions of the shareholder giving the proxy, but may not exercise a discretionary vote where directions are not given. The directors of the Company intend to vote proxies granted to them and marked 'proxy discretion' on resolutions 1, 2 and 4 in favour of those resolutions.

## Explanatory notes

### 1. Resolution 1

#### Re-election of director – Ted van Arkel

Ted van Arkel is currently the chairman and a non-executive director of the Company. He retires by rotation in accordance with NZX Main Board Listing Rule 3.3.11.

Ted van Arkel was first appointed in 2004, and was last re-elected in 2015. Biographical details are contained in the directors' profiles section of the Company's Annual Report.

Listing Rule 3.3.11 requires at least one third of the Company's directors (or if their number is not a multiple of three, then the number nearest to one third) to retire from office on a rotational basis at the Company's Annual Meeting. The retiring directors are eligible for re-election at that meeting. Those required to retire are those who have been in office the longest since they were last elected or deemed elected. Two directors of the Company are required to retire at the Annual Meeting in accordance with Listing Rule 3.3.11. The directors who 'retire by rotation' at the Annual Meeting are Ted van Arkel (resolution 1) and Stephen Copulos (resolution 2).

Ted van Arkel seeks re-election at the Annual Meeting. The board considers Ted van Arkel to be an independent director under the provisions of Listing Rule 3.3.2.

The other directors support the re-election of Ted van Arkel as a director, and recommend that shareholders vote to approve resolution 1.

### 2. Resolution 2

#### Re-election of director – Stephen Copulos

Stephen Copulos is currently a non-executive director of the Company and retires by rotation in accordance with NZX Main Board Listing Rule 3.3.11 (the requirements of which are summarised above under the explanatory note on resolution 1).

Stephen Copulos was first appointed in 2016. Biographical details are contained in the directors' profiles section of the Company's Annual Report.

Stephen Copulos seeks re-election at the Annual Meeting. The board considers Stephen Copulos to not be an independent director under the provisions of Listing Rule 3.3.2, because of his substantial shareholding in the Company (8.6% of shares on issue).

The other directors support the election of Stephen Copulos as a director, and recommend that shareholders vote to approve resolution 2.

In relation to resolution 1 and resolution 2 the board can also confirm director nominations closed on 7 May 2018 and no other director nominations were received.

### 3. Resolution 3 Directors' remuneration

#### Background

At the Annual Shareholders' Meeting held on 22 July 2016 shareholders approved an increase in directors' fees to a maximum total amount of \$400,000 per annum.

Current director remuneration utilises this approved maximum as follows:

|  |                   |
|--|-------------------|
| Chairman   | \$125,000         |
| Other directors base fee (x4 @\$65,000 per director) | \$260,000         |
| Audit and Risk Committee chair                       | \$10,000          |
| Other committee chairs (x2 @\$5,000 per chair)       | \$10,000          |
| <b>Total Fees</b>                                    | <b>\$405,000*</b> |

\*Actuals are slightly below this for the current year because of the phasing of appointments.

As a result, current full year fees are at the approved limit.

#### Considerations

An internal process has been undertaken to benchmark the current level of directors' fees against the market, taking into consideration the size and complexity of the Company, the responsibility of the directors, the level of governance and the time commitment expected from directors. Directors believe that two key factors have changed since fees were last reviewed, and approved by shareholders, two years ago:

- continued growth in size and complexity of the Company; and
- market remuneration trends.

Size and complexity is the key driver. At the time of the last fee review, the Company had just completed the first Australian acquisition. Since then, with further acquisitions in that market and the purchase of the Hawaiian business, together with organic growth in the New Zealand market, the board considers that the Company is on target to reach \$1 billion in both market capitalisation and total revenues within the next 12–18 months.

This growth – in terms of financial performance, economic size and international expansion – has resulted in a significant increase in complexity, and a corresponding increase in director workload. Directors are now required to attend an increased number of meetings, some of which are over 2–3 days. In addition there are significantly increased travel requirements.

#### Fee proposals

After considering the factors listed above during the internal benchmarking process, directors are seeking approval from our shareholders for an increase to the total fee pool of \$75,000. The board proposes that the increased fee pool be distributed as follows:

|                                | Current   | New       | Increase |
|--------------------------------|-----------|-----------|----------|
| Chairman                       | \$125,000 | \$145,000 | 16%      |
| Other directors base fee (x4)  | \$65,000  | \$75,000  | 15%      |
| Audit and Risk Committee chair | \$10,000  | \$15,000  | 50%      |
| Other committee chair (x2)     | \$5,000   | \$7,500   | 50%      |

The net impact of these changes will be an increase in the fee pool from \$400,000 per annum to \$475,000 (a 18.75% increase).

As discussed in the procedural notes, directors cannot exercise their own shareholding votes or discretionary proxy votes on this resolution at the Annual Meeting.

### 4. Resolution 4 Fix the remuneration of the auditors

Pursuant to section 207T of the Companies Act 1993, PricewaterhouseCoopers is automatically re-appointed at the Company's Annual Meeting as auditors of the Company. This resolution authorises the board of directors to fix the remuneration of the auditors for the 2019 financial year.

Directors recommend that shareholders vote to approve resolution 4.