



Minutes of Annual Meeting of Shareholders

TOURISM HOLDINGS LIMITED

MINUTES OF ANNUAL MEETING OF SHAREHOLDERS

**Held at the Heritage Hotel, Auckland
on Wednesday 18 October 2017
at 2 p.m., pursuant to a
Notice of Meeting previously circulated to all shareholders**

Present:

Directors:

Rob Campbell (Chairman)	Catherine Quinn
Debra Birch	Gráinne Troute
Kay Howe	Graeme Wong

thl Executive Staff:

Grant Webster	Gordon Hewston
Mark Davis	Ben Lane
Jo Allison	Kate Meldrum (virtual attendee)
Keith Chilek	Brett Morris
Ollie Farnsworth	Dave Simmons

Steven Hall (Board Secretary)

Shareholders and Other Attendees:

168 people (95 in person and 73 online)

Meeting Opening:

The Chairman, Rob Campbell, welcomed everyone to the 31st Annual Meeting of Tourism Holdings Limited. He announced there was a quorum present and he declared the meeting open at 2:00pm. He noted that the Annual Meeting was being conducted simultaneously at the Heritage Hotel in Auckland and online through a virtual meeting system.

1. Introduction

The Chairman introduced his fellow directors, Debbie Birch, Kay Howe, Cathy Quinn, Gráinne Troute and Graeme Wong. He noted that Christina Domezq, who had resigned from the Board, effective December, had provided her apologies for not being able to attend the meeting. He also introduced Grant Webster, Chief Executive Officer, Mark Davis, Chief Financial Officer, and Steven Hall, Board Secretary. The Chairman also advised members of the Executive Management team were present in the audience and on the virtual meeting system, together with a number of crew from around the business.

The Chairman noted there were representatives from **thl's** auditors PwC, solicitors Minter Ellison Rudd Watts, banking partners, Westpac, ANZ & HSBC, and share registrar Link Market Services.

The Chairman advised that Link would be running the voting process at the meeting.

The Chairman noted that 34.8 million proxies and postal votes were received, representing 28.9% of ordinary shares on issue. He noted, 23.1 million had identified the chair of the meeting as the proxy.



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The Chairman stated that in accordance with the company constitution it had been decided to operate a poll vote for each of the four resolutions contained in the notice of meeting.

2. Chair's address

Refer Chairman's address released 18 October 2017.

3. Chief Executive's review

Refer Chief Executive's address released 18 October 2017.

4. Ordinary business and resolutions

The Chairman moved on to today's agenda items.

The Chairman asked for any questions and comments from the floor to discuss the annual report for the year to 30 June 2017 including the financial statements and the presentations given today.

Mr John Mitchell asked about the fit of the Kiwi Experience and Waitomo businesses with the Rentals business, and asked whether the intention is to review them or hold them for the long term.

The Chairman responded by explaining that both Kiwi Experience and Waitomo very good businesses in their own right, and were businesses to which **thl** felt quite a high sense of responsibility because it has been involved with them for some time. He explained that the core of this business, going forward, is RV, and the RV ecosystem. He noted that **thl** does continue to review Kiwi Experience and Waitomo, but has no plans to divest either of those assets at the present time.

Mrs Pritchard asked about the age of the El Monte fleet, relative to the rest of the **thl** fleet.

Mr Grant Webster responded by explaining that at the time of acquisition the El Monte fleet was a lot older, but with the work done in the current year, the average age is now the same as the rest of the **thl** fleet, which is 2.3 years.

Mr Grant Diggie (NZ Shareholders Association) asked about **thl**'s plans for introducing hybrid or electric RV's.

The Chairman noted that there aren't currently any electric vehicles on the fleet, but that **thl** is working on an experimental electric vehicle. Mr Grant Brady added that **thl** and Action Manufacturing are looking at a number of projects in this area.

Mr John McArthur congratulated **thl** on its sustainability report, and asked about **thl**'s targets in terms of emission reduction.



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Mr Grant Webster responded by noting that **thl's** goal is to reduce its absolute number of carbon emissions by 20% by 2025. He noted that **thl** would report on its progress towards this.

The Chairman then addressed the questions that had been submitted online. He noted that Mr Grant Thomlinson had asked who the owner operators are that had been referred to.

The Chairman explained that there are a number of previous owners who remain involved in **thl**. He noted Grant Brady, who is Managing Director of Action Manufacturing; Kay Howe, who was the previous owner of United; Todd and Tucker Schork, the vendors of El Monte; Daniel Schneider, the previous owner of Road Bear; and Nick Roach, **thl's** partner with Just go.

The Chairman noted that the next online question was from Mr Jeremy Duffin, asking about the challenges for the El Monte business given the political landscape in the United States.

Mr Grant Webster noted that the general feedback from European wholesalers was that next year is looking to stabilise, and potentially see some growth. He explained that **thl's** general view is that the total inbound numbers would be flat, to a small increase, into the next year, but certainly, **thl** would have some strong goals around El Monte gaining market share.

The Chairman noted that the next online question was from Ms Katrina Wilson asking what level of driver education **thl** provides for people who normally drive on the right hand side of the road.

Mr Grant Webster explained that from a driver education perspective it's slightly different in each market. He explained that in New Zealand **thl** has been a key part of the NZTA Safer Journeys project. He explained that **thl** are key drivers behind the Responsible Tourism Operator program, and that **thl** is audited on an annual basis. He also noted that staff are trained to watch for certain signs during the check-in process, and make decisions accordingly.

Mr David Bennett asked how **thl** sees Mighway growing, and the impact it would have on **thl's** traditional fleet over time. He also asked how **thl** goes about assessing Mighway customers prior to them renting vehicles.

Mr Grant Webster explained that there is no limit on the growth of Mighway. He explained that Mighway is unlikely to cannibalise **thl's** existing fleet, noting that one of the key opportunities with Mighway is that it has a much higher percentage of domestic customers. He explained that Mighway can operate out of a number of locations where **thl** doesn't have a branch, and explained that Mighway is predominantly a high season business. From a driver testing perspective he noted that **thl's** independent vehicle safety audits through VINZ include Mighway, and explained that that is because **thl** has the same expectations from a safety and responsibility perspective with Mighway.

There being no other questions, the Chairman moved on to the formal items of business.



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The Chairman advised under NZSX Listing Rule 3.3.11, and in accordance with the Company's constitution, at least one third, or the number nearest to one third, of the total number of directors must retire by rotation at each annual meeting of shareholders.

The Chairman advised that the directors to retire were those who had been longest in office since their last election or re-election, and if they are eligible, they may offer themselves for re-election by shareholders at the annual meeting.

The Chairman advised that a poll vote would be operating for all resolutions today and eligible shareholders or proxies had received a voting card which would be collected by Link at the end of the meeting and counted and collated with the postal and online votes. He advised that PwC would act as scrutineers and once the results of the resolutions have been confirmed they will be announced to NZX.

Resolution 1 - Election of Catherine Quinn

The Chairman advised that Catherine Quinn was retiring from office, and, being eligible, offered herself for election.

The Chairman invited Catherine Quinn to speak, and then asked shareholders to indicate their vote on their voting card or online.

Resolution 2 - Re-election of Graeme Wong

The Chairman advised that Graeme Wong was retiring by rotation, and, being eligible, offered himself for re-election.

The Chairman invited Graeme Wong to speak, and then asked shareholders to indicate their vote on their voting card or online.

Resolution 3 – Re-election of Gráinne Troute

The Chairman advised that Gráinne Troute was retiring by rotation, and, being eligible, offered herself for re-election.

The Chairman invited Gráinne Troute to speak, and then asked shareholders to indicate their vote on their voting card or online.

Resolution 4 – Directors Remuneration

The Chairman moved that the maximum aggregate amount of remuneration payable to all Directors taken together (in their capacity as Directors) be increased from \$550,000 per annum to a maximum of \$650,000 per annum with this sum available to be paid to the Directors of the Company as the Board considers appropriate and which may be payable either in whole or in part by way of an issue of ordinary shares in the Company, provided that any issue occurs in compliance with NZX Main Board Listing Rule 7.3.8.

The Chairman advised that the Directors, and their respective Associated Persons, are disqualified from voting on this resolution. In addition, the Chairman advised that where he has been appointed as proxy for a shareholder, he is only able to exercise those votes in accordance with the express instructions of the shareholder.



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The Chairman noted that some questions had been asked online in relation to this resolution. He noted that the first question was from Dr Tilman and Ms Watson who indicated that we were not in favour of any increase in the directors' fee pool in these days of economic uncertainty, especially with a query over the next Government make-up and policies.

The Chairman noted that **thl** operates as a global business and that it is not anticipated that the outcome of the NZ election will make any substantive difference to the demands on this business or the demands on the Board. He noted that he believes the increased size and complexity of the business fully justifies the increase.

He noted that the second question that had been raised asked if greed and self-interest is mandatory to being a director.

The Chairman explained that the Directors serve in a very responsible and well-directed way towards the interests of the business, its stakeholders and its shareholders in particular.

The Chairman then noted that third question that had been raised asked why there are so many Directors.

The Chairman explained that there is quite a big workload in the Board these days, particularly when one includes subcommittees, in particular audit and remuneration subcommittees. He explained that the workload needs to be shared out amongst a number of directors. On this basis, he noted that there is probably a case for one further director being added, and that the increased fee pool would allow for this. However, he noted that it hasn't yet been decided whether an additional director would be appointed and consideration needed to be given to having the appropriate mix of skills on the Board of Directors.

Mr Richard Jenkin stated that each Director will be getting approximately \$60,000 a year, and asked how many hours a year do the Directors work to justify that.

The Chairman explained how many Board and Committee meetings are held each year, and the preparation time that is needed for each meeting, and explained that the total remuneration at the Board level is not unreasonable in that context.

Mr Ken Booth then asked with the investment in America, whether it is prudent that the Board look to have a Board member domiciled in America with expertise on the ground there.

The Chairman explained that the way in which **thl** has dealt with this to date is to have an advisory board for North America on which Daniel Schneider, Todd and Tucker Schork, and Dave Simmons participates. He explained that Grant Webster and himself also attended, and review the business in North America and provide feedback to the main Board.

The Chairman then asked shareholders to indicate their vote on their voting card.

Resolution 5 - Auditors



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The Chairman moved that the Directors be authorised to fix the auditors' remuneration for the ensuing year. The Chairman then asked shareholders to indicate their vote on their voting card or online.

General Business

The Chairman asked if there were any items of general business that hadn't previously been covered within the meeting that shareholders wish to raise.

There being no further business the Chairman thanked everyone for their attendance and then declared the meeting closed at 3:10pm and invited those attending in person to share some light refreshments with the Board and executive team.

MINUTES of the Annual Meeting of Shareholders of **Tourism Holdings Limited** were confirmed this 11 December 2017.

A handwritten signature in black ink, appearing to read 'Rob Campbell', is positioned above the typed name.

Rob Campbell 11/12/2017 9:54 AM
Chairman



Addendum 1 – NZX Announcement – Result of Poll Vote

Tourism Holdings Limited - Results of Poll Vote
4:31pm, 18 Oct 2017 | MEETING

18 October 2017

NZX ANNOUNCEMENT
FOR IMMEDIATE RELEASE

TOURISM HOLDINGS ANNUAL MEETING 18 OCTOBER 2017
RESULTS OF ANNUAL MEETING POLL VOTE ON RESOLUTIONS

Resolutions

1. Election of Catherine Quinn as a director

Votes in favour of the resolution 38.1m being 99.9% of votes cast: ***Resolution passed***

2. Re-election of Graeme Wong as a director

Votes in favour of the resolution 30.9m being 81.1% of votes cast: ***Resolution passed***

3. Re-election of Gráinne Troute as a director

Votes in favour of the resolution 38.1m being 99.9% of votes cast: ***Resolution passed***

4. To increase the maximum aggregate amount of remuneration payable to all Directors to \$650,000

Votes in favour of the resolution 31.9m being 96.2% of votes cast: ***Resolution passed***

5. To authorise the Directors to fix the remuneration of the auditors for the ensuing year

Votes in favour of the resolution 38.1m being 99.9% of votes cast: ***Resolution passed***

Announcement authorised by:

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