

# NOTICE OF 2023 ANNUAL GENERAL MEETING



Where *you* belong

**PEET**

# PEET LIMITED

ACN 008 665 834

## NOTICE OF ANNUAL GENERAL MEETING (“AGM”)

Notice is given that the AGM of Peet Limited (“the Company” or “Peet”) will be held at the Parmelia Hilton Perth Hotel, 14 Mill Street, Perth WA on Wednesday, 25 October 2023 at 10.00am (AWST).

### Agenda items

**1 Financial report**

To receive and consider the financial report of the Company and the reports of the Directors and auditor for the year ended 30 June 2023.

**2 Resolution 1 - Re-election of Anthony Lennon**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That Anthony Lennon, being a Director of the Company, who retires in accordance with rule 8.1(d) of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”*

**3 Resolution 2 - Election of Margaret Kennedy**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That Margaret Kennedy, being a Director of the Company, who retires in accordance with rule 8.1(c) of the Company’s Constitution, and being eligible, be elected as a Director of the Company.”*

**4 Resolution 3 - Election of Michelle Tierney**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That Michelle Tierney, being a Director of the Company, who retires in accordance with rule 8.1(c) of the Company’s Constitution, and being eligible, be elected as a Director of the Company.”*

**5 Resolution 4 - Election of Greg Wall**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That Greg Wall, being a Director of the Company, who retires in accordance with rule 8.1(c) of the Company’s Constitution, and being eligible, be elected as a Director of the Company.”*

**6 Resolution 5 - Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That the Company’s Remuneration Report for the year ended 30 June 2023 be adopted.”*

Note: The vote on this item is advisory only and does not bind the Directors or the Company.

### **Voting exclusion statement**

The *Corporations Act 2001* (Cth) ("*Corporations Act*") restricts members of the Company's Key Management Personnel ("KMP") and their closely related parties from voting in relation to Resolution 5 in certain circumstances.

The Company will disregard any votes cast on the Resolution 5:

- by or on behalf of members of the KMP named in the Remuneration Report for the year ended 30 June 2023 and closely related parties of those persons, regardless of the capacity in which the vote is cast; or
- as a proxy by members of the KMP at the date of the meeting and their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Resolution 5:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meeting in accordance with an express authority in the proxy form to vote undirected proxies as the Chairman sees fit even though Resolution 5 is connected with the remuneration of the KMP. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 5.

Shareholders may also choose to direct the Chairman to vote against Resolution 5 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the *Corporations Act*.

## **7 Resolution 6 - Approval for the grant of FY24 Performance Rights under the Peet Limited Performance Rights Plan to Brendan Gore**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"For the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant 994,610 FY24 Performance Rights for no cash consideration to the Managing Director and Chief Executive Officer, Brendan Gore, under the Peet Limited Performance Rights Plan, as amended from time to time, and on the terms and conditions summarised in the Explanatory Memorandum."*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Brendan Gore, or any associate of Brendan Gore.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- a person as proxy or attorney for a person entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A vote on Resolution 6 must not be cast as proxy by a person who is a member of the KMP at the date of the meeting or their closely related parties where the proxy appointment does not specify the way the proxy is to vote on the resolution, unless:

- the proxy is the Chairman of the meeting; and
- the proxy appointment expressly authorises the Chairman to exercise the proxy even though Resolution 6 is connected directly or indirectly with the remuneration of a KMP member. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 6.

Shareholders may also choose to direct the Chairman to vote against Resolution 6 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the *Corporations Act*.

## **8 Resolution 7 - Increase in Non-executive Directors' fee pool**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That in accordance with clause 8.3 of the Company's Constitution and ASX Listing Rule 10.17, the maximum aggregate remuneration which may be paid to the Company's Non-executive Directors in any year be increased from \$900,000 to \$1,100,000 (inclusive of superannuation)."*

### **Voting exclusion statement**

The Company will disregard any votes cast on Resolution 7 by or on behalf of a director of the Company, or any associate of a director of the Company.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- a person as proxy or attorney for a person entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A vote on Resolution 7 must not be cast as proxy by a director of the Company at the date of the meeting or their closely related parties, unless:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meeting in accordance with an express authority in the proxy form to vote undirected proxies as the Chairman sees fit even though Resolution 7 is connected with the remuneration of the KMP. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 7.

Shareholders may also choose to direct the Chairman to vote against Resolution 7 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the *Corporations Act*.

### **Explanatory Memorandum**

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of AGM.

### **By Order of the Board**



Dom Scafetta  
Group Company Secretary  
22 September 2023

**PEET LIMITED**  
**ACN 008 665 834**

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the 2023 Annual General Meeting (“AGM”).

**1 Financial report**

The *Corporations Act 2001* (Cth) (“*Corporations Act*”) requires the:

- reports of the Directors and auditor; and
- annual financial report, including the financial statements of the Company for the year ended 30 June 2023,

to be laid before the AGM. The *Corporations Act* does not require a vote of shareholders on the reports or statements. However, shareholders will be given reasonable opportunity to raise questions about, or make comments on, the reports and statements at the meeting.

Also, a reasonable opportunity will be given to shareholders at the meeting to ask questions of the Company’s auditor, in writing or verbally, relevant to the conduct of the audit, the preparation and content of the auditor’s report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

**2 Resolution 1 - Re-election of Director**

Rule 8.1(d) of the Company’s Constitution provides that, if after excluding the Managing Director and Directors appointed by the Directors to fill a casual vacancy and standing for election, the number of Directors is five or less, then two of the remaining Directors must retire from office or, if the number is more than five, one third of those Directors must retire from office. Accordingly:

- Anthony Lennon retires by rotation and offers himself for re-election;
- Vicki Krause retires as a Director of the Company; and
- Robert (Bob) McKinnon retires as a Director of the Company.

The experience, qualifications and other information about Anthony Lennon are shown on the following page.

We also refer you to the 2023 Annual Report and the 2023 Corporate Governance Statement for further details on Anthony Lennon, Vicki Krause and Bob McKinnon.

*Director up for re-election*

**ANTHONY JAMES LENNON (FAICD) is a Non-executive Director  
BA, GRAD DIP BUS ADMIN**

Anthony Lennon joined Peet in 1991 and became a Director in 1996.

He moved to Victoria to establish Peet's operations in Australia's eastern states and oversaw significant expansion.

Before joining the Company, Mr Lennon worked in the United Kingdom, working for major international construction and development company, John Laing PLC. His time with this global company saw him gain valuable experience in property planning, marketing, feasibility analysis and project management.

Mr Lennon's responsibilities during his career with Peet included project management, broadacre acquisitions, marketing and financing and a six-year term as Chairman of one of WA's largest conveyancing businesses.

Until his transition from Executive to Non-executive Director, Mr Lennon was Peet Limited's National Business Development Director.

He is Chairman of Habitat for Humanity (Vic). Part of a worldwide organisation, it is a registered charity which assists low-income families into affordable home ownership and out of the rental market by providing zero interest mortgages.

***Directors' recommendation on the re-election of Anthony Lennon***

With Anthony Lennon abstaining, the Directors unanimously recommend you vote in favour of his re-election.

**3 Resolutions 2, 3 and 4 – Election of Directors**

Margaret Kennedy, Michelle Tierney and Greg Wall were appointed to the Board in August 2023 by the Directors of the Company under rule 8.1(b) of the Constitution. In accordance with rule 8.1(c) of the Constitution, they hold office until the 2023 AGM and are each standing for election to the Board by shareholders.

The experience, qualifications and other information about Margaret Kennedy, Michelle Tierney and Greg Wall are shown below.

*Directors up for election*

**MARGARET KENNEDY is an Independent Director  
B.Comm, GAICD**

Margaret Kennedy, appointed to the Board in August 2023, is an experienced non-executive director currently holding non-executive director roles on the boards of Hobart International Airport Limited, Challenger Retirement and Investment Services Limited and AMOG Holdings Pty Ltd.

Margaret was previously a director of Senex Energy Limited from April 2021 until its delisting in April 2022, and has over 30 years' experience holding various executive roles for Shell Australia, Viva Energy Australia and Viva Energy REIT (now Waypoint REIT) where she led the public listing and was the inaugural CEO.

She is Chair and non-executive director of Loreto Ministries Limited, a not-for-profit company responsible for the governance of a number of schools in Australia.

***Directors' recommendation on the election of Margaret Kennedy***

With Margaret Kennedy abstaining, the Directors unanimously recommend you vote in favour of her election.

**MICHELLE TIERNEY is an Independent Director**

**B.Arts Journalism & Communication, Post Grad Dip. Bus Admin., MBA, GAICD**

Appointed to the Board in August 2023, Michelle is an experienced board member and senior executive across Australian Securities Exchange and New Zealand Stock Exchange organisations.

She is currently a non-executive director of Stride Property Group and Growthpoint Properties Australia, and was formerly an executive director of SCA Unlisted Retail Fund RE Limited and served as alternate Director of the Shopping Centre Council of Australia.

Michelle has over 20 years' of executive experience in the property and funds management industry having held senior executive, funds management and property roles with National Australian Bank, The GPT Group, Lend Lease and most recently Chief Operating Officer for Region Group (formerly SCA Property Group).

Michelle is also a Graduate and Member of the Australian Institute of Company Directors.

***Directors' recommendation on the election of Michelle Tierney***

With Michelle Tierney abstaining, the Directors unanimously recommend you vote in favour of her election.

**GREG WALL AM is an Independent Director**

**MA, GAICD FFIN**

Greg Wall was appointed to the Board of Peet Limited in August 2023 with over three decades of executive experience in retail and commercial banking and financial services.

He was the former State Manager of Challenge Bank, CEO of StateWest, Managing Director of Home Building Society Ltd and Group CEO of Capricorn.

Greg has an extensive experience as a non-executive director including at Automotive Holdings Group, Gold Estates (1903) Ltd and International Cooperative Alliance. He has also been Chairman of Freo Group and of Business Council of Cooperatives and Mutuals.

He also has experience as director of community and not for profits such as WA Football Commission, Fremantle Football Club, Ear Science Institute and Edith Cowan University, and was Chairman of the Australian Secretariat of United Nations International Year 2012.



Greg is currently Chairman of Margaret River Wine Association and was made a Member of the Order of Australia in the 2019 Queen's birthday honours list.

***Directors' recommendation on the election of Greg Wall***

With Greg Wall abstaining, the Directors unanimously recommend you vote in favour of his election.

**4 Resolution 5 - Adoption of Remuneration Report**

Section 250R(2) of the *Corporations Act* requires a resolution adopting the Remuneration Report to be put to the vote.

The Remuneration Report is set out on pages 40 to 55 of the 2023 Annual Report.

Shareholders are advised that the vote on this item is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting ("Spill Resolution"), to approve calling a general meeting ("Spill Meeting"). If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2022 did not receive a vote of more than 25% against its adoption at the Company's last general meeting held on 26 October 2022. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to shareholders.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Key Management Personnel ("KMP").

The Chairman will give shareholders a reasonable opportunity to ask questions about, or make comments on, the 2023 Remuneration Report at the AGM.

**5 Resolution 6 - Approval for the grant of FY24 Performance Rights ("PRs") under the Peet Limited Performance Rights Plan ("PPRP") to Brendan Gore ("Gore")**

Shareholder approval is sought for the purposes of ASX Listing Rule 10.14 and all other purposes for the granting of 994,610 FY24 PRs for no cash consideration to Gore under the PPRP.

Table 1 provides a summary of the terms of the FY24 PRs proposed to be granted to Gore.

**Table 1**

Performance Period	Vesting Term	Expiry Date	Exercise Price	Performance Conditions	Allocation (%)
3 years ending 30/06/2026	Period ending 30/06/2026	15 <sup>th</sup> anniversary of grant date	\$0.00	EPS growth FUM growth	75% 25%
					100%

**Performance Conditions**

The Performance Conditions will be measured over a three-year period from 1 July 2023 to 30 June 2026 (“FY24 Performance Period”).

The measures used to determine performance are earnings per share (“EPS”) growth and funds under management (“FUM”) growth.

The vesting of 75% of the FY24 PRs proposed to be granted will be subject to the EPS growth condition and the vesting of the remaining 25% to the FUM growth condition.

Out-performance of the EPS growth Performance Condition will be available to apply towards any shortfall in FUM growth (refer below for further details).

**EPS growth**

The EPS growth condition will be measured as the average growth in operating EPS over the FY24 Performance Period, with the operating EPS derived for FY23 (based on operating earnings of \$52 million) as the base year.

The earnings component of EPS is calculated as net profit after tax measured in accordance with Australian Accounting Standards, excluding write-downs of inventories and development costs and increases in the carrying value of inventories during the relevant financial year, and is subject to other adjustments at the Board’s discretion.

EPS growth is then compared to the Board’s internal target EPS growth for the FY24 Performance Period (“EPS Target”).

The proportion of EPS growth-related FY24 PRs to vest will be as detailed in Table 2.

**Table 2**

Performance Level <sup>1</sup>	% of EPS growth-related PRs vesting
< 80% of the EPS Target	0%
80% of the EPS Target	75%
80% to 100% of the EPS Target	75% to 100% (pro-rata)
100% to 120% of the EPS Target	80% to 133% (pro-rata)

1. The actual performance against the EPS Target will be reported to shareholders in the Company’s Remuneration Report following the end of the FY24 Performance Period.

It is proposed that EPS growth of more than 100% of the EPS Target will be available to apply to any shortfall in the FUM growth targets (set out below), up to a maximum of 100% of the FY24 PRs granted (i.e. the maximum number of FY24 PRs that may vest in favour of Gore is 994,610).

While Funds Management continues to form part of the Company's overall strategy, primary focus remains on maximising earnings and EPS. The inclusion of an EPS out-performance target does not discriminate as to the type of investments considered or their funding structure (i.e. Company-owned, syndicates, joint ventures, development management agreements) by Management, hence further encouraging behaviour in the best interests of the Company and its shareholders.

**FUM growth**

FUM growth is measured as the total of the following:

- (a) the purchase price (ex GST) of land acquired by a Peet syndicate; or
- (b) the purchase price (ex GST) of land acquired by a Peet joint venture; or
- (c) the market value (ex GST) of land for which Peet has been appointed development manager at the time of its appointment; or
- (d) the selling price (ex GST) of land sold by:
  - (i) Peet;
  - (ii) a Peet syndicate;
  - (iii) a Peet joint venture; or
  - (iv) other Peet-managed project,

to a third party and where Peet is appointed the development manager (and where applicable, to manage the leasing) of a commercial, industrial, retail or residential built-form project on that land; or
- (e) in all other property funds management-related transactions as determined by the Board of Directors,

during the relevant performance period.

The FUM growth for the relevant performance period is reduced by the equity interest retained by Peet and is then compared to the rolling three-year FUM growth target ("FUM Target") set by the Board.

The FUM Target and related thresholds for the FY24 PRs are shown in Table 3.

**Table 3**

Performance Level	3-year rolling FUM growth	% of FUM growth-related PRs vesting
< FUM Target	< \$30 million	0%
FUM Target	\$30 million	50%
FUM Target to medium	\$30 million to \$50 million	50% to 70% (pro-rata)
Medium to maximum	\$50 million to \$60 million	70% to 100% (pro-rata)
> Maximum	> \$60 million	100%

### **Related Party Transactions Generally**

Peet is seeking shareholder approval for the proposed grant of the FY24 PRs under the PPRP to Gore, the terms of which are contained in Table 1 above.

Chapter 2E of the *Corporations Act* prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the *Corporations Act*, Gore is a related party of the Company.

In relation to Resolution 6, the Board (excluding Gore) has formed the view that shareholder approval under section 208 of the *Corporations Act* is not required for the proposed grant of FY24 PRs which forms part of the remuneration package for Gore, as it is considered reasonable remuneration for the purposes of section 211 of the *Corporations Act*.

Under the Company's current circumstances, the Directors consider (in the absence of Gore) that:

- (a) equity based incentive schemes are a common and effective means of motivating and improving the performance of senior executives;
- (b) the PPRP is designed to provide an incentive for future performance with restrictions on securities vesting under the PPRP Rules encouraging Gore to remain with the Company;
- (c) the FY24 PRs are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation;
- (d) the FY24 PRs encourage Gore to have a greater involvement in the achievement of the Company's objectives and provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership;
- (e) the FY24 PRs will ensure that the interests of Gore continue to be aligned with the interests of shareholders; and
- (f) the targets set for the vesting conditions of the FY24 PRs have a balance between being:
  - (i) achievable and therefore incentivising Gore; and
  - (ii) challenging – to ensure Gore's performance is appropriately remunerated and his interests are aligned to those of shareholders.

### **ASX Listing Rule 10.14 approval**

Broadly, ASX Listing Rule 10.14 provides that a company must obtain shareholder approval if it wishes to grant performance rights under an “employee incentive scheme” to a director of the company.

For the purposes of ASX Listing Rule 10.14, the PPRP is an “employee incentive scheme”. Accordingly, the proposed grant of the FY24 PRs, and any shares acquired or issued following any vesting and exercise of the FY24 PRs under the PPRP, to Gore requires shareholder approval for the purposes of ASX Listing Rule 10.14.

Resolution 6 seeks the required shareholder approval to the grant of the FY24 PRs under and for the purposes of ASX Listing Rule 10.14.

While it is the intention of the Board to meet the vesting and exercise of FY24 PRs with the on-market acquisition of shares in Peet via an employee share trust, the Board wishes to retain the flexibility to meet any vesting of FY24 PRs with the issue of new shares in Peet. It would be envisaged that the employee share trust would subscribe for such new shares.

If shareholder approval is obtained, it is intended that the FY24 PRs will be granted to Gore as soon as possible following the AGM and, in any event, within 12 months of the AGM. If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise Gore.

For the purposes of ASX Listing Rule 10.15, the following information is provided.

**(a) The name of the person being issued securities under the PPRP**

The FY24 PRs are to be granted to Gore, who is the Managing Director and Chief Executive Officer of the Company.

**(b) Which category in ASX Listing Rules 10.14.1 - 10.14.3 the person falls within and why**

The person to be granted FY24 PRs, Gore, is a related party of the Company under ASX Listing Rule 10.14.1 as he is a Director of the Company.

**(c) The number and class of securities proposed to be issued to the person under the PPRP for which approval is being sought**

The maximum aggregate number of securities that may be granted to Gore if Resolution 6 is passed is 994,610 FY24 PRs.

**(d) Details of the director's current total remuneration package**

Level of participation

The level of participation offered to Gore under the PPRP has been determined with reference to market practice and within the Company's remuneration policies as set out in the 2023 Remuneration Report.

Gore's remuneration package for FY24 comprises fixed remuneration (including superannuation) of \$1,008,535, maximum short-term incentive (at risk) of \$1,008,535 and long-term incentive (“LTI”) (at risk) of \$1,008,535.

The number of FY24 PRs allocated to Gore was determined by dividing his LTI amount by the calculated fair value of a FY24 PR at 24 July 2023.

**(e) The number of securities under the PPRP that have previously been issued to the person under the PPRP and the average acquisition price (if any) paid by the person for those securities**

Gore has previously been granted 15,005,657 PRs under the PPRP since 2008, which is the first year of grants of PRs under the PPRP. There was no price paid on the grant of these PRs.

**(f) A summary of the material terms of the securities to be issued under the PPRP**  
Please refer to Table 1 for a summary of the material terms of the FY24 PRs to be issued under the PPRP.

The Company grants PRs for LTI purposes because it believes that they create share price alignment between participants and ordinary shareholders but do not provide participants with the full benefits of share ownership (such as dividend and voting rights) unless and until the PRs vest and are exercised by the participant.

The Company commissioned an external adviser to calculate the fair value of a FY24 PR.

The fair value of a FY24 PR is based on a Black-Scholes option pricing model and has been calculated at \$1.014, valuing the FY24 PRs proposed to be granted to Gore at \$1,008,535. Table 4 below summarises the assumptions used in the valuation.

**Table 4**

<b>Variable</b>	<b>Assumption</b>
Underlying share price	\$1.18
Exercise price	Nil
Valuation date	24 July 2023
Performance period	1 July 2023 to 30 June 2026
Volatility	40%
Risk-free rate	3.87%
Dividend yield	5.3%

**(g) The date or dates on or which the Company will issue the securities to the person under the PPRP**

Assuming shareholder approval is obtained, the FY24 PRs are intended to be granted as soon as possible following the AGM and, in any event, within 12 months of the AGM.

**(h) The price at which the Company will issue the securities to the person under the PPRP**

There is no price payable on the grant of FY24 PRs.

**(i) A summary of the material terms of the PPRP**

The material terms of the PPRP (under which the FY24 PRs would be granted) include, among other matters:

- (i) The Board may, from time to time, in its absolute discretion grant PRs to Eligible Executives upon the terms set out in the PPRP and upon such additional terms and Performance Conditions as the Board determines.
- (ii) The Board is required to notify Eligible Executives of the terms and conditions of any grant of PRs.
- (iii) PRs granted under the PPRP can only be transferred with the prior consent of the Board or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (iv) The vesting and exercise of any PRs granted under the PPRP will be effected in the form and manner determined by the Board.
- (v) PRs confer no right to vote, attend meetings, participate in a distribution of profit or a return of capital or any other participating rights or entitlements on the participant unless and until the PRs are exercised and the underlying shares are allocated/acquired.
- (vi) Unvested PRs will lapse upon the earliest to occur of a number of circumstances, including up to the 15-year anniversary of the relevant grant.
- (vii) Subject to the terms of individual employment agreements, the Board has a certain level of discretion in determining the vesting or otherwise of PRs on the termination of a participant's employment.
- (viii) The Board has the discretion to deem that unvested PRs have lapsed, where a participant acts fraudulently or dishonestly, or is in breach of his or her obligations to Peet.
- (ix) The Board has discretion to either issue new shares or acquire existing shares on market in response to the exercise of vested PRs.
- (x) Except to the extent prohibited by applicable law of the ASX Listing Rules, the Board has discretion to impose any restrictions on shares issued or transferred to a participant on vesting and exercise of PRs.
- (xi) Subject to the terms of individual employment agreements, in the event of a takeover or other change of control-type transaction, the Board has discretion to determine that all or a specified number of a participant's PRs (whether granted or that the Company is contractually obligated to grant to an Eligible Executive) vest.
- (xii) Notwithstanding any other provisions of the PPRP, the Board may at any time waive in whole or in part any terms or conditions (including any performance condition or exercise restriction) in relation to any PRs granted to any participant.

(xiii) Subject to (xiv) below and the ASX Listing Rules, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any PR granted under the PPRP.

(xiv) Without the consent of the participant, no amendment may be made to the terms of any granted PR which reduces the rights of the participant in respect of that PR, other than an amendment introduced primarily:

A. for the purpose of complying with or conforming to present or future State or Commonwealth legislation governing or regulating the maintenance or operation of the PPRP or like plans;

B. to correct any manifest error or mistake; or

C. to take into consideration possible adverse tax implications in respect of the PPRP arising from, amongst other things, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

**(j) A summary of the material terms of any loan that will be made to the person in relation to the acquisition**

No loans will be provided to Gore in respect to the grant of FY24 PRs.

**(k) Voting exclusion statement**

A voting exclusion statement is included in the Notice of AGM to which this Explanatory Memorandum is attached.

**(l) Annual report disclosure**

Details of the proposed grant of FY24 PRs to Gore, including that approval for the grant was obtained under ASX Listing Rule 10.14, will be included in Peet's FY24 Annual Report.

Any additional persons to whom ASX Listing Rule 10.14 applies and who become entitled to participate in a grant of PRs under the PPRP after the approval of Resolution 6 and who are not named in the Notice of AGM will not participate until approval is obtained under ASX Listing Rule 10.14.

***Directors' recommendation in respect of Resolution 6***

Gore has a material personal interest in the outcome of Resolution 6 and, accordingly, abstains from making a recommendation in respect of Resolution 6.

For the reasons noted above, the Board (with Gore abstaining) recommends that shareholders vote in favour of Resolution 6.



## 6 Resolution 7 - Increase in Non-executive Directors' fee pool

The Board seeks shareholder approval to increase the maximum aggregate amount of remuneration that may be paid to Non-executive Directors ("NEDs") of the Company in any year under rule 8.3(a) of the Company's Constitution, from \$900,000 to \$1,100,000 (inclusive of superannuation).

The current fee pool of \$900,000 (inclusive of superannuation) has been in place since the 2012 Annual General Meeting, and before that had not changed since the Company listed in August 2004.

Board, Committee fees, superannuation contributions (paid in accordance with the Company's statutory superannuation obligations) and fees payable in respect of NEDs' memberships of syndicate boards, are included in this aggregate fee pool.

The increase in the NEDs' fee pool is to accommodate the three additional NEDs appointed to the Board, with effect from 25 August 2023 until the date of the 2023 AGM and to accommodate the one additional NED for the balance of the year ending 30 June 2024, compared to the year ended 30 June 2023 (refer to Table 5 following).

Table 5

FY	NEDs at year end	NED fees paid	NED fee pool	Headroom
2023 <sup>1</sup>	5	\$788,907	\$900,000	\$111,093
2024 <sup>1,2</sup>	6	\$919,111	\$1,100,000	\$180,889

1. All fees are inclusive of superannuation.  
2. Estimated, assuming no further changes to the Board or current remuneration arrangements and approval of the proposed increase in the NED fee pool.

The remuneration of each NED for the year ended 2023 is detailed in the Remuneration Report in the Company's 2023 Annual Report. No securities have been issued to the Company's NEDs with shareholders' approval under Listing Rules 10.11 and 10.14 within the three years preceding the date of this Notice.

If Resolution 7 is passed, the proposed increase to the NED fee pool would accommodate the appointment of an additional NED (if required) and still leave reasonable headroom.

If Resolution 7 is not passed, the Company will not be permitted to pay fees to its NEDs which exceed the aggregate amount of directors' fees already approved by shareholders as set out in this Notice.

The Board considers that the proposed increase to the NED fee pool is reasonable and appropriate, having regard to:

- the recently announced changes to the Board;
- flexibility to consider the appointment of an additional NED to the Board (if considered necessary by Directors) and still leave reasonable headroom; and
- ability to retain and attract high-calibre NEDs, by allowing for future adjustments to the annual fees payable to NEDs, within the approved maximum aggregate amount, so that the fees are competitive.

There is currently no intention to increase the fees payable to NEDs for the year ending 30 June 2024.

***Directors' recommendation in respect of Resolution 7***

Other than Mr Gore, the directors do not give a recommendation on Resolution 7 in view of their personal interest in the resolution. Mr Gore recommends that shareholders vote in favour of Resolution 7.

## DETAILS ON HOW TO PARTICIPATE IN THE ANNUAL GENERAL MEETING (“AGM”)

### Required majority and voting entitlement

All Resolutions to be considered at the AGM are ordinary resolutions and each will be passed if at least 50% of votes cast by shareholders entitled to vote on the resolution are cast in favour of the resolution.

The vote on each resolution will be decided on a poll as determined by the Chairman of the meeting, subject to any requirements of the *Corporations Act*, ASX Listing Rules and the Company’s Constitution.

On a resolution determined by a poll, each shareholder present in person, or by proxy, attorney or representative has one vote for each fully paid ordinary share held.

### How to vote and appoint a proxy

#### Eligibility to vote

It has been determined that under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the AGM, shares will be taken to be held by the persons who are the registered holders at **4.00pm (AWST), 7.00pm (AEDT), Monday, 23 October 2023**. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

#### Attending and voting at the meeting

A shareholder can attend and vote at the meeting either by:

- attending the meeting in person and voting, or if the shareholder is a corporate shareholder, appointing a corporate representative to act on the shareholder’s behalf; or
- appointing an attorney or a proxy to attend the meeting and vote for the shareholder.

#### Voting by corporate representative

Any corporate shareholder or proxy must appoint a person to act as its representative at the AGM in accordance with section 250D of the *Corporations Act*. The representative must provide Computershare with a formal notice of appointment signed as required by section 127 of the *Corporations Act* or the company’s constitution prior to the meeting. A form of notice of appointment can be obtained from Computershare or downloaded from [www.investorcentre.com/au](http://www.investorcentre.com/au).

#### Voting by proxy

If a shareholder does not want to attend the meeting but is entitled to attend and vote, the shareholder can appoint a representative or the Chairman as proxy to vote for the shareholder. A representative can be a natural person but does not need to be a member of the Company. If the representative is a proxy, the proxy can be appointed in respect of some or all of the votes held by the shareholder. If the shareholder is entitled to cast two or more votes, the shareholder can appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If the proportion or number of votes is not specified, each proxy may exercise half the votes. On a poll, each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.

**Online:** All shareholders can appoint a proxy to vote on their behalf online at [www.investorvote.com.au](http://www.investorvote.com.au) by following the instructions set out on the website.

Shareholders who elected to receive their Notice of AGM electronically or have provided the Company with their email address will have received an e-mail with a link to the Computershare site.

For all other shareholders you will receive a letter by direct mail with instructions on how to vote at the meeting.

In order to take effect, the proxy appointment (and any authority under which the proxy was signed or a certified copy of the authority) must be received by Computershare, **no later than 10.00am (AWST) on Monday, 23 October 2023.**

Shareholders who appoint a proxy or attorney may still attend the meeting. However, if the shareholder votes on a resolution, the proxy or attorney is not entitled to vote as that shareholder's proxy or attorney on the resolution.

Following the passing of the *Corporations Amendment (Meetings and Documents) Act 2022* in February 2022, Peet will now issue notices of annual and general meetings electronically where a security holder has provided a valid email address or has not made an election, unless the security holder has elected to receive a paper copy of these documents.

If you wish to receive paper copies of notices of meetings, please update your preferences at the Easy Update email shown below or contact Computershare (using the details below). Alternatively, if you currently receive paper copies of notices of meeting and would prefer to receive them electronically, you can also update your preferences using the same process.

Shareholders can also elect not to receive an annual report by following the same process.

You can always access and read Peet's Annual Report, notices of meetings and any other shareholder documents when they are published on our website and the ASX platform.

You can arrange to receive shareholder information electronically by contacting Computershare on:

- 1300 850 505 (within Australia);
- +61 (03) 9415 4000 (overseas);
- or at [www.computershare.com.au/easyupdate/PPC](http://www.computershare.com.au/easyupdate/PPC).

**Custodian voting:** for intermediary online subscribers only (Custodians) please submit your voting intentions at [intermediaryonline.com](http://intermediaryonline.com).

**By mail:** If shareholders are unable to complete an online proxy appointment, a proxy form can be requested by contacting Computershare on 1300 850 505 (within Australia) or +61 (03) 9415 4000 (overseas). Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned to Computershare **no later than 10.00am (AWST) on Monday, 23 October 2023.** The proxy form and authority must be returned as set out below:

- **by post to:** Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001; or
- **by facsimile to:** Computershare Investor Services Pty Limited, 1800 783 447 (within Australia) or (+613) 9473 2555 (outside Australia).

#### Voting by attorney

Where a shareholder appoints an attorney to act on his or her behalf at the meeting, such appointment must be made by a duly executed power of attorney. The power of attorney or a certified copy of the power of attorney must be received **by 10.00am (AWST) on Monday, 23 October 2023**. The power of attorney must be provided to Computershare as set out above.

#### Voting exclusions

Certain voting restrictions apply to Resolutions 5 to 7 (inclusive). If you wish to appoint a member of the KMP (which includes each of the Directors and the Chairman) as your proxy or attorney, please read the voting exclusions carefully. Shareholders are encouraged to direct their proxies how to vote.

#### How the Chairman intends to vote available proxies

The Chairman of the meeting intends to vote all available proxies in favour of the resolutions set out in this Notice. Any directed proxies that are not voted on a poll at the meeting will automatically default to the Chairman of the meeting, who is required to vote proxies as directed.

The Chairman intends to vote all available non-directed proxies in favour of Resolutions 1 to 7 (inclusive).

#### **Questions and comments from shareholders**

Peet requests that shareholders who may have questions to put to the AGM to submit written questions in advance of the meeting by going to [www.investorvote.com.au](http://www.investorvote.com.au). Questions must be received **by Monday, 16 October 2023**.

The Chairman of the meeting will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the meeting. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

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Peet Limited | ABN 56 008 665 834

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Monday, 23 October 2023.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 182925**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Peet Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Peet Limited to be held at the Parmelia Hilton Perth Hotel, 14 Mill Street, Perth, WA 6000 on Wednesday, 25 October 2023 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 5, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 5, 6 and 7 by marking the appropriate box in step 2.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Anthony Lennon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Margaret Kennedy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Michelle Tierney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Greg Wall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for the grant of FY24 Performance Rights under the Peet Limited Performance Rights Plan to Brendan Gore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Increase in Non-executive Directors' fee pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically





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