

## GPG AGM and Proxies

Shareholders in GPG will have received notification of the AGM to be held at the Ellerslie Events Centre, 80-100 Ascot Ave, Greenlane, Auckland on Wednesday 8 June, commencing at 2 pm.

This is the first time the AGM has been held in New Zealand and is the culmination of a long campaign by the NZSA. The company has had a major boardroom reshuffle over the past few months and we would urge as many shareholders as possible to attend, meet and question your new directors.

There are two voting forms due to the complicated nature of the capital repayment scheme being put to shareholders. The method of completing them varies depending on the form. In particular, the process for appointing a proxy and how to give that person a discretionary vote on your behalf has been a source of confusion. We hope the following summary will assist you.

### Proxies

The NZSA will be offering its proxy service as usual. If you wish to appoint us as your proxy, enter "New Zealand Shareholders Association" in the large box at the top of both the blue and white forms. If you leave this part of the forms blank, you are automatically selecting the GPG Chairman as your proxy.

### Directing the Proxy

On both forms, this can be done by entering an X in the option box you wish to select.

### Discretionary Proxies

**Blue Form:** it is NOT possible to give your proxy discretion for the blue form. You MUST select one of the two options. If you do not do so your vote will be invalid and will not count. This is mandated by the English Courts. We have clarified this with GPG and the directors have provided us with the relevant information confirming the company has no choice over this.

**White Form:** to allow your proxy a discretionary vote on the white form, you must leave all boxes blank beside any resolution this applies to.

Many people prefer to give undirected proxies which allow the proxy holder to decide how to vote on their behalf. The NZSA prefers to receive undirected proxies as it increases our voting power at meetings.

### NZSA Proxy Voting Intentions

The Associations intentions in regard to undirected proxies are as follows:

On the White form we will be voting IN FAVOUR of all resolutions EXCEPT:

Resolution 2: Remuneration report. We will vote AGAINST.

This is symbolic and reflects our view that prior remuneration was excessive. It sends a message to the new board that we expect a much more moderate approach going forward.

Resolution 3: Election of Blake Nixon. We will vote AGAINST.

Mr Nixon is a former executive director and served on the old board during a long period of stagnation. He was involved in the increase to 100% ownership of Coats which was not only a poor investment decision, but went well outside the original GPG statement of intent on which investors were entitled to rely. He has expertise in the English regulation/pension situation but on balance we do not think these outweigh his earlier actions.

Remember, your proxies must reach Computershare by 2.15pm on June 6, so act now.