



## Market Release

20 May 2024

## Notice of 2024 Annual Shareholders' Meeting

Serko Limited (ASX & NZX: SKO) (Serko) has today provided a copy of its Notice of the 2024 Annual Shareholders' Meeting.

Serko's Annual Meeting will be held at the offices of Link Market Services Limited, Level 30, PwC Tower, 15 Customs Street West, Auckland, New Zealand and online via the Link Market Services online portal at [www.virtualmeeting.co.nz/sko24](http://www.virtualmeeting.co.nz/sko24) on **Tuesday, 18 June 2024** commencing **2.00pm** (New Zealand time).

The Notice of Meeting and Proxy/Voting Form will be emailed to shareholders who have provided the company's share registrar with an email address and mailed in hard copy where the company's share registrar does not have an email address. An electronic copy of these documents (along with the referenced EY Director Fee Benchmarking Summary Report) will also be available on the company's website: [www.serko.com/investors](http://www.serko.com/investors).

## ENDS

Released for and on behalf of Serko Limited by Shane Sampson, Chief Financial Officer.

## FURTHER INFORMATION

### Investor relations

Shane Sampson  
Chief Financial Officer  
+64 9 884 5916  
[investor.relations@serko.com](mailto:investor.relations@serko.com)

### Media relations

Coran Lill  
+61 (0)468 963 068  
[coran.lill@csladvisory.co.nz](mailto:coran.lill@csladvisory.co.nz)

For personal use only



## Notice of Annual Meeting of Shareholders 2024

### Dear Shareholder

On behalf of the Board of Directors I am pleased to invite you to the 2024 Annual Meeting of Serko Limited (Serko or the Company). The meeting will be a hybrid meeting, whereby shareholders can choose to attend in person or online.

#### When

**Tuesday, 18 June 2024 at 2.00pm  
(New Zealand Time)**

#### Where

##### In person:

Link Market Services Limited  
Level 30, PwC Tower  
15 Customs Street West  
Auckland, New Zealand

##### Online:

[www.virtualmeeting.co.nz/sko24](http://www.virtualmeeting.co.nz/sko24)

Shareholders attending the meeting will be able to vote and ask questions at the meeting. Shareholders can also pre-submit questions either online at [vote.linkmarketservices.com/SKO](http://vote.linkmarketservices.com/SKO) or using the Proxy Form. Questions will need to be submitted by 2.00pm on Sunday, 16 June 2024, New Zealand Time (NZT).

If you cannot attend the meeting either in person or virtually online, I encourage you to complete and lodge the proxy form in accordance with the instructions on that form so that it reaches Link Market Services by 2.00pm on Sunday, 16 June 2024 (NZT).

### Items of Business

#### A. Chair's Address and Chief Executive Officer's Address

Chair, Claudia Batten, and Co-Founder and CEO, Darrin Grafton, will provide an overview of the Company's performance for the year ended 31 March 2024 and the progress and priorities for the current financial year. There will be an opportunity for shareholders to ask questions after the addresses.

#### B. Ordinary Resolutions

Shareholders will be asked to consider, and if thought fit, pass the following ordinary resolutions:

1. That Dr Sean Gourley be elected as a non executive director of Serko Limited.
2. That Mr Robert Shaw be re-elected as a director of Serko Limited.
3. That:
  - (a) The maximum aggregate remuneration payable to non-executive directors of Serko Limited be increased by approximately NZ\$112,173 per annum from NZ\$600,000 per annum to A\$650,000<sup>1</sup> per annum, to be paid and allocated as the Board considers appropriate.
  - (b) Any remuneration payable to non-executive directors may, at the Board's discretion, in whole or in part, be through an issue of Equity Securities, as that term is defined in the NZX Listing Rules.
4. That the directors are authorised to fix the fees and expenses of Deloitte as auditor for the 2025 financial year.

See explanatory notes on each of these resolutions below.

All monetary amounts relating to non-executive directors' remuneration in this Notice are exclusive of GST, where applicable.

The Board recommends unanimously that you vote in favour of all resolutions.

#### C. General Business and Shareholder Discussion

To consider any other matter that may be brought properly before the meeting.

By Order of the Serko Board

**Claudia Batten – Chair**  
20 May 2024

<sup>1</sup> Equal to approximately NZ\$712,173.

# Explanatory Notes

## Resolution 1:

### Election of Dr Sean Gourley as a Director

Dr Sean Gourley was appointed as Serko's fourth non-executive director (NED) by the Board, effective on 1 February 2024.

In accordance with the NZX Listing Rules, Sean is required to retire at the meeting, but being eligible, offers himself for election as a director of Serko to shareholders at the meeting. The Board unanimously supports Sean's election and considers he qualifies as an independent director under the applicable NZX Listing Rules.



#### Sean Gourley

##### Independent, Non-Executive Director

Sean has established and grown two ground-breaking Silicon Valley technology companies: Primer, an AI and machine learning company where he was CEO from 2015 to 2023 and Quid, an AI-powered visualisation company where he was Chief Technology Officer. In his early career, he was a research scientist at NASA and a research fellow at the University of Oxford where he published ground-breaking research into the mathematics of war in leading science journal Nature. He also served on the board of Anadarko Petroleum, a US-based Fortune 500 energy company, from 2015 until its acquisition in 2019. Dr Gourley has a Master of Science majoring in physics from the University of Canterbury (New Zealand) and a PhD in physics from the University of Oxford, which he attended as a Rhodes Scholar.

## Resolution 2:

### Re-election of Mr Robert Shaw as a Director

Mr Robert (Bob) Shaw is one of the Co-founders of Serko and is Serko's Chief Strategy Officer. He was appointed an executive director when Serko was incorporated on 5 April 2007 (and was re-elected by shareholders in August 2018 and August 2021). In accordance with the applicable NZX Listing Rules, Bob retires by rotation and offers himself for re-election as a director of Serko at the meeting. The Board unanimously supports Bob's re election and considers Bob to be a non-independent director as he is an executive officer and substantial shareholder of Serko.



#### Robert (Bob) Shaw

##### Non-Independent, Executive Director

Bob has been involved in transforming the travel industry since 1987, collaborating with the world's leading airlines, travel agencies and global distribution systems. He has held a number of directorships and senior management positions in various high-profile ventures, including Gulliver's Travel Group and Interactive Technologies. Bob has been a past finalist for the EY Entrepreneur of the Year Award. He is a member of the Institute of IT Professionals NZ and the Institute of Directors NZ/Australia.

# Explanatory Notes

## Resolution 3: Non-Executive Director Remuneration

This resolution is put to shareholders in accordance with NZX Listing Rule 2.11.1 and relates to the maximum aggregate fees payable to all NEDs. At present, the maximum fee pool for NEDs is NZ\$600,000 per annum, as approved by shareholders at Serko's Annual Meeting in August 2021.

The Company is seeking shareholder resolution to:

- **Approve** an increase to the NED fee pool of approximately NZ\$112,173 per annum from NZ\$600,000 per annum to A\$650,000<sup>2</sup> per annum, to be paid and allocated as the Board considers appropriate; and
- **Approve** that any remuneration payable to NEDs may, at the Board's discretion, in whole or in part, be through an issue of Equity Securities, as that term is defined in the NZX Listing Rules.

### Current NED fee pool

Serko's current NED fee pool was set in August 2021, during FY22. Since then:

- Serko has appointed a fourth NED;
- Serko's business has increased in complexity and size, becoming larger and more international, with Serko's total income increasing from NZ\$18.9m in FY22, to approximately NZ\$71m (unaudited) in FY24; and
- CPI (Consumer Price Index) in New Zealand and Australia has increased 17.2% and 15.1% respectively over the FY22 to FY24 period.

### Independent benchmarking

The Board remains committed to setting its NED fee pool and NED fees in a transparent manner. To inform its proposal, Ernst & Young (Australia) (EY) was appointed to prepare an independent report to benchmark director fees against comparator organisations in Australia and New Zealand. A **Summary Report** is available on our Investor Centre site: [www.serko.com/investors](http://www.serko.com/investors).

The comparator groups used are in the table below. A full list of the comparator organisations is contained in the Summary Report.

Group Type	Definition
Australian Group	Australian companies with a market capitalisation within 50% to 300% of Serko's market capitalisation of A\$456 million (using a one-month average to 31 December 2023) and within the Global Industry Classification Standards (GICS) Consumer Discretionary and Information Technology sector.
New Zealand Group	New Zealand companies with a market capitalisation within 50% to 200% of Serko's market capitalisation of NZ\$491 million (using a one month average to 31 December 2023) and within the Global Industry Classification Standards (GICS) Consumer Discretionary and Information Technology sector.

### EY's Guidance Range

EY has provided guidance on setting Serko's aggregate NED fee pool and individual NED fees. Such factors, include, but are not limited to, Serko's market positioning, Board workload, Serko's dual listing, international nature of the technology sector in which it operates and the limited fee pool headroom following the appointment of a new director in February 2024.

Considering the relevant factors, EY states that Serko's NED fees would be considered market aligned if positioned between the 50th and 75th percentiles of the relevant market data. They have separately provided market aligned NED fee ranges within the Summary Report.

<sup>2</sup> Based on the RBNZ NZD/AUD rate as at 9 May 2024 of 0.91270, A\$650,000 is equal to approximately NZ\$712,173.

# Explanatory Notes

## Board's review and proposed increase

The Board proposes, and recommends to shareholders, to increase the NED fee pool from NZ\$600,000 per annum to A\$650,000 per annum. This proposal sits below the market aligned range of A\$711,000 and A\$825,000 noted in the Summary Report.

Under the current fee pool there is insufficient headroom to appoint all NEDs to sub-Committees due to allowances for FX fluctuations and/or *ad hoc* special exertion fees to directors for services outside their usual duties for Serko in exceptional circumstances. If the fee pool is increased to A\$650,000, Serko will no longer need to manage FX fluctuations within the headroom as the fee pool currency and fee policy currency will be aligned. Serko will also be able to appoint new directors to Committees and/or form new Committees from time to time, if required.

Should the proposed increase be approved, the Board intends to appoint Dr Sean Gourley as a member of the Audit, Risk and Sustainability Committee. Following this appointment, and adoption of the proposed NED fee policy, Serko expects to have headroom of A\$100,000 or approximately 15% which it views as more aligned to market practice.

Serko's current NED fee policy was set in May 2021. If the NED fee pool is increased, the Board intends to update its fee policy effective 1 July 2024, as outlined in the table below:

Fee Type	Current Fee	Proposed Fee	Market Aligned Fee Range
Chair Fee <sup>3</sup>	A\$158,000	A\$180,000	A\$185,000 – A\$224,000
NED Base Fee	A\$95,000	A\$100,000	A\$95,000 – A\$120,000
NED Committee Chair Fee	A\$20,000	A\$20,000	A\$15,000 – A\$22,000
NED Committee Member Fee	A\$9,000	A\$10,000	A\$10,000 – A\$10,000

In forming the proposed fee policy, the Board has considered:

- an appropriate reduction to the gap between the current Chair Fee and the market aligned fee range, to reflect the responsibilities and workload of this role;
- a shift towards the market approach of a 2:1 ratio of Chair Fees to NED Base Fees with no additional payments for the Chair's attendance at Committee meetings;
- simplification of the fee structure for Committees so that the NED Committee Chair Fee is a two-times multiple of the NED Committee Member Fee;
- Serko's relatively small number of NEDs and the workload of the Board, which is positioned at the median for the Australian comparator group and above the 75th percentile of the New Zealand comparator group (measured by number of meetings per annum); and
- the level of inflation since the current fee policy was set, noting that all increases are below CPI increases in New Zealand and Australia.

## Voting restrictions

Pursuant to NZX Listing Rule 6.3.1, Serko will disregard each vote cast on resolution 3 by:

1. any NED of Serko; and
2. any Associated Person (as that term is defined in the NZX Listing Rules) of any non-executive director of Serko,

except where any such vote is cast by the non-executive director or associated person as proxy for another person who is qualified to vote and only in accordance with that person's express instructions.

## Resolution 4:

### Fixing the Fees and Expenses of the Auditor

Deloitte are currently Serko's auditors and will automatically be reappointed under the Companies Act 1993 to act as auditor for the 2025 financial year. Under the Act, auditor fees and expenses must be fixed in the manner determined at the Annual Meeting. Shareholder approval is, therefore, sought to authorise the Board to fix the fees and expenses of Deloitte as auditor.

<sup>3</sup> Under Serko's current fee policy, the Chair is paid a base fee of A\$140,000 with additional A\$18,000 Committee fees.  
Under the proposed fee policy, the Chair fee is inclusive of all Committee membership fees.

# Important Information

## Hybrid Annual Meeting

Shareholders will be able to attend and participate in this year's Annual Meeting either in person or virtually via an online platform provided by our share registrar, Link Market Services at [www.virtualmeeting.co.nz/sko24](http://www.virtualmeeting.co.nz/sko24).

Shareholders attending and participating in the virtual meeting will be able to vote and ask questions during the meeting. If you will be attending online, you will require your Holder Number for verification purposes which can be found on your Proxy Form.

More information regarding virtual attendance at the meeting (including how to vote and ask questions virtually during the meeting) is available in the 'Virtual Meeting Online Portal Guide' available at <https://bcast.linkinvestorservices.co.nz/generic/docs/OnlinePortalGuide.pdf>.

## Proxies

Any shareholder who is entitled to attend and vote at the meeting may appoint a proxy, who need not be a shareholder, to attend and vote on their behalf by completing and returning the enclosed Proxy Form or lodging their Proxy Form online as detailed below. If you appoint a proxy, you may either direct your proxy how to vote for you or you may give your proxy discretion to vote as they see fit. If you wish to give your proxy discretion, then you must mark the appropriate boxes on the form to grant your proxy that discretion. If you do not tick any box for a particular resolution, your proxy may vote as they choose.

Shareholders can elect their proxies online by visiting [vote.linkmarketservices.com/SKO](http://vote.linkmarketservices.com/SKO) or by scanning the QR code on the Proxy Form with your smartphone.

If you do not name a person as your proxy, but otherwise complete the Proxy Form in full, or your named proxy does not attend the meeting, the Chair: (a) will be appointed your proxy and may only vote in accordance with your express direction; and (b) will not vote on resolution 3 if granted a discretion on how to vote on that resolution.

The Chair of the meeting or any director is willing to act as proxy for any shareholder who appoints them for that purpose. If you tick the 'Proxy Discretion' box, you acknowledge that they may exercise your proxy even if they have an interest in the outcome of that resolution (subject to any restrictions contained in the NZX Listing Rules). The Chair and directors intend to vote all discretionary proxies in favour of resolutions 1, 2 and 4 (refer below in respect of resolution 3) even if they have an interest in any of the resolutions.

The completed Proxy Form must be received by the share registry no later than 2.00pm on Sunday, 16 June 2024 (NZT).

## NZX Register holders

You will need to enter your CSN/Holder Number and Authorisation Code (FIN) to securely complete your proxy appointment online.

## ASX Register holders

You will need to enter your Holder Number and postcode to securely complete your proxy appointment online.

If you wish to mail the proxy form, then please send it to our share registry, Link Market Services Limited, using the freepost envelope enclosed with the form.

Alternatively, you can scan and email the completed Proxy Form to [meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com) (please put the words "Serko Proxy Form" in the subject line for easy identification).

## Ordinary Resolution

All the resolutions required to be considered by shareholders at the meeting are ordinary resolutions. An ordinary resolution is a resolution that is approved by a simple majority of the votes of those shareholders entitled to vote and voting on the resolution.

## Voting

Voting entitlements for the meeting will be determined at 5.00pm on Friday, 14 June 2024 (NZT). Registered shareholders at that time will be the only persons entitled to vote at the meeting and only the shares registered in those shareholders' names at that time may be voted at the meeting.

The Chair will require voting at the meeting to be conducted by poll, as required by the NZX Listing Rules.

Serko will disregard each vote cast on resolution 3 by any non-executive director of Serko and any Associated Person (as that term is defined in the NZX Listing Rules) of any non-executive director of Serko, except where any such vote is cast by the non-executive director or associated person as proxy for another person who is qualified to vote and only in accordance with that person's express instructions. No voting restrictions apply to the other resolutions being considered at the meeting.

## More information and Asking Questions

If you have any questions, or for more information, please contact Serko's Company Secretary at [company.secretary@serko.com](mailto:company.secretary@serko.com).

Shareholders can also pre-submit questions by sending them either online at [vote.linkmarketservices.com/SKO](http://vote.linkmarketservices.com/SKO) or using the Proxy Form, prior to the meeting. Questions will need to be submitted by 2.00pm on Sunday, 16 June 2024 (NZT).

## Company Details

Serko Limited  
Saatchi Building Level 1  
125 The Strand, Parnell  
Auckland 1010  
New Zealand

Incorporated in New Zealand  
ARBN 611 613 980  
PO Box 47-638, Ponsonby  
+64 9 309 4754  
[company.secretary@serko.com](mailto:company.secretary@serko.com)

\* All times and dates stated are New Zealand time (NZT)



## LODGE YOUR PROXY

### Online:

<http://vote.linkmarketservices.com/SKO>

### Scan & email:

[meetings@linkmarketservices.com](mailto:meetings@linkmarketservices.com)

### Deliver:

Link Market Services  
Level 30  
PWC Tower  
15 Customs Street West  
Auckland 1010

### Mail:

Use the enclosed reply paid envelope or address to:  
Link Market Services Limited  
PO Box 91976  
Auckland 1142

Scan this QR code with your smartphone and vote online



### General Enquiries

+64 9 375 5998 | [enquiries@linkmarketservices.com](mailto:enquiries@linkmarketservices.com)

## PROXY FORM/ADMISSION CARD FOR SERKO LIMITED 2024 ANNUAL SHAREHOLDER MEETING

The Annual Meeting of Shareholders of Serko Limited (the "Company") will be held at the offices of Link Market Services Limited, Level 30, PwC Tower, 15 Customs Street West, Auckland and online via the Link Market Services Limited online portal at [www.virtualmeeting.co.nz/sko24](http://www.virtualmeeting.co.nz/sko24) on **Tuesday, 18 June 2024** commencing at **2.00pm** (New Zealand time). If you will be attending online, you will require your Holder Number for verification purposes.

If you do not plan to attend the meeting in person or virtually but wish to appoint a proxy you can do so online at <http://vote.linkmarketservices.com/SKO>. Alternatively, please complete the reverse of this form and return the form intact to Link Market Services Limited. All Proxy Forms must be received by no later than **2.00pm** (New Zealand time) **Sunday, 16 June 2024**, being 48 hours before the commencement of the Annual Meeting.

### Appointment of proxy

A shareholder of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. If you appoint a proxy, you may still attend the meeting (but will not be able to vote if your proxy also attends the meeting). A proxy need not be a shareholder of the Company. Any corporation that is a shareholder may appoint a person as its representative to attend the meeting and vote on its behalf, in the same manner as that in which it could appoint a proxy. If you do not name a person as your proxy, or your named proxy does not attend the meeting, the Chair: (a) will be appointed your proxy and may only vote in accordance with your express direction; and (b) will not vote on resolution 3 if granted a discretion on how to vote on that resolution.

### Voting of your holding

If you appoint a proxy you must either direct the proxy how to vote by ticking the "For", "Against" or "Abstain" box in respect of each resolution OR by ticking the 'Proxy Discretion' box in respect of each resolution. If you do not tick a box your proxy may vote as they choose. If you mark more than one box on a resolution your vote will be invalid on that resolution. If you tick the 'Proxy Discretion' box for a particular resolution, you are directing your proxy to decide how to vote on that resolution on your behalf. If you tick the 'Abstain' box for a particular resolution, you are directing your proxy not to vote on that resolution. If a proxy does not vote on your behalf on a resolution, your votes will not be counted when calculating the majority of that resolution.

The Chair of the meeting or any director is willing to act as proxy for any shareholder who appoints him/her for that purpose. If you tick the 'Proxy Discretion' box, you acknowledge that they may exercise your proxy even if they have an interest in the outcome of that resolution (subject to any restrictions contained in the NZX Listing Rules). The Chair and directors intend to vote all discretionary proxies in favour of resolutions 1, 2 and 4 (refer below in respect of resolution 3) even if they have an interest in any of the resolutions.

### Voting Restrictions

Serko will disregard each vote cast on resolution 3 by any non-executive director of Serko and any Associated Person (as that term is defined in the NZX Listing Rules) of any non-executive director of Serko, except where any such vote is cast by the non-executive director or associated person as proxy for another person who is qualified to vote and only in accordance with that person's express instructions. No voting restrictions apply to the other resolutions being considered at the meeting.

### Signing instructions for proxy forms

#### Individual

Where the holding is in one name, the shareholder must sign this Proxy Form.

#### Joint Holding

This Proxy Form may be signed by either, or on behalf of, the joint shareholders (or their duly authorised attorney).

#### Power of Attorney

If this Proxy Form has been signed under a power of attorney, a copy of the power of attorney (unless already deposited with Link Market Services Limited) and a signed certificate of non-revocation of the power of attorney must be returned to Link Market Services Limited.

#### Corporate Shareholder

If the shareholder is a company, this Proxy Form must be signed on behalf of the company by a duly authorised person acting under the company's express or implied authority.



## PROXY FORM

### STEP 1: APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We named above, being a shareholder of Serko Limited:

hereby appoint\*: \_\_\_\_\_ of \_\_\_\_\_  
(Full Name) (E-mail Address)

or: \_\_\_\_\_ of \_\_\_\_\_  
(Full Name) (E-mail Address)

as my/our proxy to vote for me/us on my/our behalf at the Annual Meeting of Shareholders of the Company to be held at the offices of Link Market Services Limited, Level 30, PwC Tower, 15 Customs Street West, Auckland and online at [www.virtualmeeting.co.nz/sko24](http://www.virtualmeeting.co.nz/sko24) on **Tuesday, 18 June 2024** commencing at **2.00pm** (New Zealand time), and at any adjournment of that meeting, and to vote as my/our proxy thinks fit (to the extent permitted by law and the NZX Listing Rules) on any resolutions to amend any of the resolutions, or any resolution so amended and on any other resolution proposed at the Annual Meeting (or any adjournment thereof) so as to give effect to my/our intention as set out below where possible.

\*If you do not name a person as your proxy, but otherwise complete the Proxy Form in full, or your named proxy does not attend the Annual Meeting, the Chair: (a) will be appointed your proxy and may only vote in accordance with your express direction; and (b) will not vote on resolution 3 if granted a discretion on how to vote on that resolution.

### STEP 2: ITEMS OF BUSINESS - VOTING INSTRUCTIONS

Please note: For each resolution you must tick one box. If you mark the abstain box for a resolution, you are directing your proxy not to vote on your behalf during a poll and your votes will not be counted in computing the required majority for that resolution.

#### Resolutions

To consider and, if thought fit pass, the following ordinary resolutions:

		Please indicate with a ✓			
		For	Against	Abstain	Proxy Discretion
1.	That Dr Sean Gourley be elected as a non-executive director of Serko Limited.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	That Mr Robert Shaw be re-elected as a director of Serko Limited.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	That:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(a) The maximum aggregate remuneration payable to non-executive directors of Serko Limited be increased by approximately NZ\$112,173 per annum from NZ\$600,000 per annum to A\$650,000 <sup>1</sup> per annum, to be paid and allocated as the Board considers appropriate.				
	(b) Any remuneration payable to non-executive directors may, at the Board's discretion, in whole or in part, be through an issue of Equity Securities, as that term is defined in the NZX Listing Rules.				
4.	That the directors are authorised to fix the fees and expenses of Deloitte as auditor for the 2025 financial year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> Equal to approximately NZ\$712,173.

### STEP 3: SHAREHOLDER QUESTIONS

Shareholders present at the Annual Meeting (either in person or online) will have the opportunity to ask questions during the meeting. If you cannot attend the Annual Meeting but would like to ask a question, you can submit a question online by going to <http://vote.linkmarketservices.com/SKO> and completing the online validation process or complete the question section below and return to Link Market Services Limited. Questions will need to be submitted by **2.00pm** on **Sunday, 16 June 2024**. The Board will seek to address and answer questions at the Annual Meeting.

Question:
-----------

### STEP 4: SIGN: SIGNATURE OF SHAREHOLDER(S) This section must be completed

#### Shareholder 1

--

or duly authorised officer or attorney

#### Shareholder 2

--

or duly authorised officer or attorney

#### Shareholder 3

--

or duly authorised officer or attorney

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date \_\_\_\_\_

**Electronic Investor Communications:** If you received the Notice of Meeting and Proxy Form by mail and wish to receive your future investor communications by email please provide your email address below.

--



# Non-Executive Director fee benchmarking summary

Serko Limited

9 May 2024

Table of contents

1. Introduction ..... 1

1.1 Background..... 1

1.2 Comparator groups..... 1

1.3 Fee elements presented ..... 1

1.4 Key considerations..... 3

2. Fee benchmarking findings ..... 4

2.1 Actual and policy fees ..... 4

2.2 Aggregate NED fee pool, number of meetings and NEDs..... 4

2.3 Guidance on setting the aggregate NED fee pool and NED fees at Serko..... 5

2.4 NED fee trends - Australia ..... 6

2.5 NED fee trends - New Zealand..... 6

2.6 Comparator group constituents..... 7

## 1. Introduction

### 1.1 Background

Serko Limited (Serko) has engaged Ernst & Young (EY) to provide market data in relation to Non-Executive Director (NED) Board and Committee fees.

This report provides the results of our analysis of disclosed information relating to Non-Executive Director (NED) remuneration quantum of companies selected by Serko.

The report provides market information on:

- ▶ Non-Executive Chair (Chair) fees
- ▶ Non-Executive Director (Other NED) fees
- ▶ Audit, Risk and Sustainability Committee Chair and Member fees
- ▶ Remuneration and Culture Committee Chair and Member fees
- ▶ Aggregate NED fee pools and the number of disclosed NEDs
- ▶ The number of Annual Board meetings.

For the purposes of this report, all NED fees have been converted to Australian dollars using the 12-month average exchange rate to the relevant companies' financial year end. Exchange rates were sourced from LSEG.

### 1.2 Comparator groups

Market data is presented for two comparator groups as requested by Serko.

Comparator groups	
Group name	Definition
Australia	Australian companies with a 12-month average market capitalisation within 50% to 300% of Serko's one-month average market capitalisation of AU\$456 million and within the Global Industry Classification Standard (GICS) Consumer Discretionary and Information Technology sector.
New Zealand	New Zealand companies with a market capitalisation within 50% to 200% of Serko's market capitalisation of NZ\$491 million and within the GICS Consumer Discretionary and Information Technology sector.

### 1.3 Fee elements presented

The following fee elements are presented in this report:

Fee elements analysed	Roles	
Actual total fees	Chair	All other NEDs (Other NEDs)
Board fee policy information	Chair	Other NED base fees
Audit, Risk and Sustainability Committee	Chair	Member
Remuneration and Culture Committee	Chair	Member
Aggregate NED fee pools		
Number of NEDs		
Number of Annual Board meetings		

### Actual total fees

Actual total fees represent the total fees paid to NEDs for the financial year, which includes super, benefits and valuations of any equity grants for Australian-based NEDs. Actual total fees are useful for understanding how overall NED total fees compare against the comparator groups.

### Policy fees

Policy fees represent the fees determined by the Company to remunerate NEDs for participation on the Board and Committees. Policy fees are useful for benchmarking and developing fee structures, as they differentiate between fees for different roles.

## 1.4 Key considerations

The findings in this section summarise the percentile market positioning of Serko NED fees against the market data. Fees were considered to be 'at' the relevant market reference point if fees were positioned within 10% of the market data reference point.

When determining the appropriate fees for Serko's NEDs the following key points should be taken into account:

- ▶ **The companies included in the comparator groups:** NED fees are typically compared against general industry, as a broad range of skills and experiences are required to create an effective Board of directors. In addition, a specific industry comparator group can provide a useful secondary comparison as it reflects the skills and experiences specific to the industry that Serko is operating in.
- ▶ **Positioning relative to the comparator groups:** The Company's NED fee position should be reflective of the market capitalisation and revenue position of the Company.
- ▶ **Time commitment required for NEDs:** The higher the time commitment, the greater the emphasis on positioning fees above median may be. Consideration of time commitment should focus on ongoing time rather than one-off, increased loads (e.g., due to a transaction).

- ▶ **Complexity of business:** Complexity may be measured by factors such as international footprint (e.g., overseas revenue, assets, etc.) and regulatory / industry issues. The higher the complexity of the industry in which the company operates, the greater the emphasis on positioning fees above median may be.
- ▶ **Degree of potential reputational risk:** The higher the potential reputational risk, the greater the emphasis on positioning fees above median may be.
- ▶ **The supply of talent available for the role(s):** The greater the scarcity of talent, the greater the emphasis on positioning fees above median may be. Companies may also consider the need for specific skills within the Board.
- ▶ **Fee pool:** The Company's fee pool is currently set in New Zealand dollars.
- ▶ **Fee policies:** Serko's fee policy is set in Australian dollars, which is different from the current fee pool currency.
- ▶ **Chair fees:** in addition to Board fees, the Chair is entitled to committee fees. Currently the Chair receives an Audit, Risk and Sustainability Committee Member fee as well as a Remuneration and Culture Committee Member fee.

### Company positioning with the comparator groups

The table below summarises the positioning of Serko's market capitalisation and revenue relative to the comparator groups.

Company positioning within the comparator group		
Comparator group	Market capitalisation	Revenue
Australia	Aligned to the median	Below the 25 <sup>th</sup> percentile
New Zealand	Aligned to the median	Below the 25 <sup>th</sup> percentile

## 2. Fee benchmarking findings

The findings in this section summarise the benchmarking outcomes for Serko's NED roles against the market data. Fees were considered to be 'at' the relevant market reference point if fees were positioned within 10% of the market data reference point. We confirm our report has been prepared independently and is not subject to any influence from the management or any Board Member of Serko or any third party.

### 2.1 Actual and policy fees

The table below summarises the positioning of Serko's NED fees relative to the comparator group. Where the position of fees is between two positions, this is possible due to the narrower range of companies in the comparator group.

Position of fees within the comparator groups		
Comparator group	Chair	Other NEDs
<b>Actual Total Fees</b>		
Australia	Aligned to the 25 <sup>th</sup> percentile	Between the median and the 75 <sup>th</sup> percentile
New Zealand	Aligned to the median and the 75 <sup>th</sup> percentile	Above the 75 <sup>th</sup> percentile
<b>Board Fee Policy</b>		
Australia	Below the 25 <sup>th</sup> percentile	Aligned to the median
New Zealand	Between the 25 <sup>th</sup> percentile and the median	Aligned to the 75 <sup>th</sup> percentile
Committee Chair		
Committee Member		
<b>Audit and Risk Committee Fees</b>		
Australia	Aligned to the median	Aligned to the 25 <sup>th</sup> percentile and the median
New Zealand	Aligned to the 75 <sup>th</sup> percentile	Aligned to the median and the 75 <sup>th</sup> percentile
<b>Remuneration Committee Fees</b>		
Australia	Aligned to the 75 <sup>th</sup> percentile	Aligned to the median and the 75 <sup>th</sup> percentile
New Zealand	Above 75 <sup>th</sup> percentile	Above the 75 <sup>th</sup> percentile

### 2.2 Aggregate NED fee pool, number of meetings and NEDs

The table below summarises the positioning of Serko's aggregate NED fee pool, number of Board meetings and number of NEDs relative to the comparator group.

Position of aggregate NED fee pool, number of Board meetings and NEDs	
Comparator group	Positioning
<b>Aggregate fee pool</b>	
Australia	Below the 25 <sup>th</sup> percentile
New Zealand	Aligned to the 25 <sup>th</sup> percentile
<b>Number of Board meetings</b>	
Australia	Aligned to the median
New Zealand	Above the 75 <sup>th</sup> percentile
<b>Number of NEDs</b>	
Australia	Below the 25 <sup>th</sup> percentile
New Zealand	Below the 25 <sup>th</sup> percentile

## 2.3 Guidance on setting the aggregate NED fee pool and NED fees at Serko

In providing Serko with guidance on setting the aggregate NED fee pool and NED fees, the following has been taken into consideration:

- ▶ Serko's market capitalisation positioning against the agreed New Zealand and Australian comparator groups (aligned to the median for each). Serko's revenue is positioned below the 25<sup>th</sup> percentile for both comparator groups
- ▶ The workload of the Board (number of meetings per annum) positioning at the median for the Australian comparator group and above the 75<sup>th</sup> percentile for the New Zealand comparator group. We note the comments of the Company regarding the number of additional, ad hoc meetings held by the Board; and, the low number of directors the Company may access to meet the higher workload
- ▶ Serko's more complex New Zealand and Australia dual listing
- ▶ The international nature of the Technology sector in which the Company operates
- ▶ The skills sets and locations of NEDs the Company seeks to attract in order to exercise effective governance and oversight
- ▶ A preference by the Company for NED fee structural simplicity:
  - ▶ To reflect the market approach of a policy of the Chair fee to be approximately twice the Board Member base fee, and to cease payment of committee fees to the Board Chair
  - ▶ To establish, as far as possible, a consistent set of Committee Chair and Member fees with the same two-times multiple for Committee Chair to Member fees
- ▶ The existing Company practice of setting the fee pool in New Zealand (NZ\$) and NED fee policy in Australian Dollars (AU\$)
- ▶ The relatively narrow trading range for foreign exchange rates between the AU\$ and the NZ\$
- ▶ The limited fee pool headroom following the recent appointment of an additional director (with the board size remaining below market)

- ▶ The time which has elapsed since the last Serko fee movement (2021) and market movements in NED fees since that time.

### 2.3.1 Indicative fee ranges

Based on the factors above, generally Serko's NED fees would be considered to be market aligned if positioned between the 50<sup>th</sup> and the 75<sup>th</sup> percentiles of the relevant market data, and the NED fee pool would be considered to be market aligned if positioned between the 25<sup>th</sup> and the 50<sup>th</sup> percentiles of the relevant market data. Based on the market data set out in our report titled *Non-Executive Director fee benchmarking* dated 5 March 2024, the table below presents indicative market aligned Serko NED fee element ranges.

The indicative market aligned Serko NED fee element ranges are presented based on EY's current understanding of Serko and its circumstances at the time of the analysis. Should the Company possess additional information, or if the Company's circumstances alter, the outcomes of the analysis may alter.

Fee element	Current fees (AU\$'000)	Fee range (AU\$'000)
Aggregate fee pool	562 (NZ\$600)*	711 - 825
Board Chair	158**	185 - 224
Other NED board base fee	95	95 - 120
Audit, Risk and Sustainability Committee Chair	20	20 - 22
Remuneration and Culture Committee Chair		15 - 20
Audit, Risk and Sustainability Committee Member	9	10 - 11
Remuneration and Culture Committee Member		10***

\*Serko's aggregate NED fee pool is currently set in NZ\$.

\*\*Currently the Chair is paid a Chair fee (AU\$140,000) + Committee fees (AU\$18,000)

\*\*\*We note the 50<sup>th</sup> and the 75<sup>th</sup> percentiles both equate to \$10,000.

## 2.4 NED fee trends - Australia

The following table presents policy Chair and Other NED fees general market movements in Australia for the year ended 30 June 2023. The movements below reflect where a change was made to the Chair and Other NED policy fees.

ASX 100 NED data	Average movement (%)
Board Chair Fee	3.5%
Base fee for Other NEDs	3.3%

## 2.5 NED fee trends - New Zealand

The following table presents Chair and Other NED policy fees general market movements from EY's Directors' Fees Report 2023/24.

Role	Average movement (%)
Board Chair Fee	6.6%
Base fee for Other NEDs	6.9%

The New Zealand movements above are affected by two key factors:

- ▶ Some organisations do not review fees annually; therefore, the annual fee movement is somewhat impacted by minimal increases given the NEDs in the overall sample.
- ▶ The data above reflects the whole sample median movement. As a result, changes in the sample composition can impact reported policy fee movement data.



## 2.6 Comparator group constituents

Companies in the two comparator groups are presented below, ranked by 12-month average market capitalisation up to 31 December 2023.

Serko is not included in the comparator groups below. However, it is presented for comparative purposes.

Comparator group constituents				
Company name	Comparator group: Australia	Comparator group: New Zealand	Market capitalisation (\$m) 12-month average to 31 December 2023	Revenue as at financial year end (\$m)
Megaport Limited	✓		1,364	230
Audinate Group limited	✓		1,352	70
Data3 Limited	✓		1,301	2,565
Objective Corporation Limited	✓		1,168	110
Hansen Technologies Limited	✓		988	312
Silex Systems Limited	✓		962	9
Argosy Property Limited		✓	899	134
Jumbo Interactive Limited	✓		836	119
Tourism Holdings Limited		✓	775	616
Winton Land Limited		✓	771	196
Arvida Group Limited		✓	766	206
Weebit Nano Ltd	✓		766	-
Stride Property Limited		✓	740	88
Nuix Limited	✓		662	183
Delegat Group Limited		✓	647	354
Henderson Far East Income Limited		✓	646	-
FINEOS Corporation Holdings PLC	✓		635	205
Gentrack Group Limited	✓	✓	621	158
Infomedia Limited	✓		511	130
Oceania Healthcare Limited		✓	510	229
Warehouse Group Limited (The)		✓	503	3,143

Comparator group constituents				
Company name	Comparator group: Australia	Comparator group: New Zealand	Market capitalisation (\$m) 12-month average to 31 December 2023	Revenue as at financial year end (\$m)
Channel Infrastructure NZ Limited		✓	504	82
KMD Brands Limited	✓	✓	496	1,019
Kogan.com Ltd	✓		491	490
Napier Port Holdings Limited		✓	473	110
Ainsworth Game Technology Limited	✓		461	220
Serko			456	44
Scales Corporation Limited	✓		456	577
Restaurant Brands NZ Limited	✓	✓	446	1,210
Investore Property Limited		✓	417	66
RPMGlobal Holdings Limited	✓		392	98
ReadyTech Holdings Limited	✓		391	103
Kingfish Limited		✓	389	-
Helloworld Travel Limited	✓		370	166
Bravura Solutions Limited	✓		370	249
Vista Group International Limited	✓	✓	366	126
Sky Network Television Limited		✓	360	698
Sanford Limited		✓	360	516
3P Learning Limited	✓		351	107
AFT Pharmaceuticals Limited		✓	352	147
Michael Hill International Limited		✓	343	631
NOVONIX Limited	✓		334	4
Smartpay Holdings Limited		✓	337	73
Catapult Group International Limited	✓		329	126
NZX Limited		✓	323	89

Comparator group constituents				
Company name	Comparator group: Australia	Comparator group: New Zealand	Market capitalisation (\$m) 12-month average to 31 December 2023	Revenue as at financial year end (\$m)
Brainchip Holdings Ltd	✓		307	7
Atturra Limited	✓		300	178
Qoria Limited	✓		291	82
Hallenstein Glasson Limited		✓	292	382
Rakon Limited		✓	269	169
Pointsbet Holdings Limited	✓		265	210
Scott Technology Limited		✓	254	246
Symbio Holdings Limited	✓		253	211
Colonial Motor Company Limited		✓	253	925
DUG Technology Ltd	✓		232	76

## **EY | Building a better working world**

**EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.**

**Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.**

**Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.**

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

### About EY's People Advisory Services

As the world continues to be impacted by globalization, demographics, technology, innovation and regulation, organizations are under pressure to adapt quickly and build agile people cultures that respond to these disruptive forces. EY People Advisory Services believes a better working world is helping our clients harness their people agenda – the right people, with the right capabilities, in the right place, for the right cost, doing the right things.

We work globally and collaborate to bring you professional teams to address complex issues relating to organization transformation, end-to-end employee lifecycles, effective talent deployment and mobility, gaining value from evolving and virtual workforces, and the changing role of HR in support of business strategy. Our EY professionals ask better questions and work with clients to create holistic, innovative answers that deliver quality results.

© 2024 Ernst & Young, Australia  
All Rights Reserved.

Ernst & Young is a registered trademark. Our report may be relied upon by Serko Limited for the purpose of understanding Non-Executive Director remuneration market data, pursuant to the terms of our engagement letter dated 18 December 2023. We disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party or the reliance upon our report by the other party.

For the purposes of section 206L of the Corporations Act 2001 (Cth) this report does not contain a remuneration recommendation in relation to key management personnel.

Liability limited by a scheme approved under Professional Standards Legislation.