



New Zealand Meat Board 2025 Resolutions

Basis of voting

The Board has determined under section 58(3) of the Meat Board Act 2004 that the voting entitlement will be on the same basis as the Beef + Lamb New Zealand (B+LNZ) constitution, which is: one farmer one vote for ordinary resolutions.

The definition of a farmer in the B+LNZ constitution is the owner of livestock above the minimum thresholds of 250 sheep, 50 beef or 100 dairy cows as at 30 June 2024.

RESOLUTION ONE

That farmers consider and, if thought fit, pass the following ordinary resolution:

That the director fees pool for farmer and industry (Processor-Exporter) directors be increased to \$151,900 per annum from \$147,500, a total increase of \$4,400 (3%).

This increase represents a fee increase for the Chair to \$30,800 (currently \$29,900) and for seven farmer and industry directors to \$17,300 (currently \$16,800).

Explanatory note

The NZMB reinstated the Directors Independent Remuneration Committee (DIRC) in 2023.

The DIRC conduct an independent evaluation of NZMB's directors' remuneration and recommend any director remuneration adjustments to the Board.

Any recommendation by DIRC will require farmer approval.

Director Independent Remuneration Committee

Report to livestock farmers and meat exporters for the 2025 Annual Meeting

The New Zealand Meat Board (NZMB) Director Independent Remuneration Committee (DIRC) provides independent consideration of market conditions and benchmarking.

The Director Independent Remuneration Committee (DIRC) comprises Murray Donald (Chair), Sarah von Dadelszen and Tony Egan, with Cros Spooner, Chief Operating Officer at B+LNZ, as Secretary.

The Committee operates under a Terms of Reference found at www.nzmeatboard.org/assets/NZMB-Directors-Independent-Remuneration-Committee-1.pdf

When reviewing director fees, the DIRC considered the following principles in 2023 and these continue to apply.

1. Consideration of market information including benchmarking for NZMB provided to the DIRC by Strategic Pay and the Institute of Directors. Both surveys reference types of industries e.g. statutory body, public sector and similar sized organisations.
2. The NZMB Board role and time commitment required is more in line with a governance only role without the representation requirements an industry good organisation has with its farmers.
3. The DIRC considered the complexity and risk involved in quota management, administration responsibilities, and systems development and resilience as a result of quotas increasing from three to 10 over the last four years with Brexit, UK and EU free trade agreements. The reserve management function, while significant in size, is supported by an independent advisor and a professional investment manager guided by a Statement of Investment Policies and Objectives reviewed approximately every three years. Reserve management activities fall into quarterly investment monitoring reporting and industry good funding reporting, which does have synergies with the B+LNZ industry good activities.
4. The benchmarking identified that current NZMB Chair and directors' remuneration are in the lower quartile of both Chair and director remuneration benchmarks and outside that quartile with respect to time commitments.
5. The DIRC considers the NZMB director fees should be in the lower quartile range however need to ensure the fee is competitive to attract the expertise for complex quota management, trade requirements allocation and verification.
6. The DIRC also notes there is an element of public good as well as industry good in this role.
7. The DIRC continues to recommend director fees be reviewed and adjusted annually to ensure these do not fall behind benchmarks.
8. The DIRC notes the fee for Government appointed directors is approved by the Crown and is not included in this assessment. Government appointed director fees have been consistent with farmer approved fees in past years.

Director fees were last increased at the 2022 annual meeting for the 2021-22 financial year by 2.3%.

In 2023, the DIRC reviewed and recommended a fee movement of 0.3% for the Chair and 7% for directors. This was **not supported** by farmers at the annual meeting in March 2024 with 554 farmers **(59.6%) voting against**.

Recommendation for 2024-25 director fees

The year-on-year movement in director fees assessed from the benchmarking is 1.5% and this is applied to the DIRC recommendation from 2023.

After considering an annual movement on the 2023 benchmarking completed, DIRC recommends the following:

	Current Remuneration 2023-24 (approved 2022)	Recommended Remuneration 2024-25	% change since last increase per annum
Chair	29,900	30,800	3%
Director (each)	16,800	17,300	3%
Total Director Fees Pool	147,500	151,900	3%

The DIRC considers that director fees must be competitive to attract and retain suitable skills to governance roles and that small and often increases will ensure the best opportunity candidates to the roles.

DIRC notes that the Government director fees are benchmarked against farmer approved fees for the NZMB.

Murray Donald
Chair
Director Independent Remuneration Committee

RESOLUTION TWO

That farmers consider and, if thought fit, pass the following ordinary resolution:
That KPMG be appointed as the NZMB's auditor for the year ending 30 September 2025.

Explanatory note

The Board recommends that KPMG continue in the role of auditor for the NZMB for the 2025 financial year.

The Audit & Risk Committee undertook a review of audit fees and compared them to publicly available benchmarks. The Committee agreed that KPMG continues to offer an efficient and effective audit process.

A new KPMG partner is now responsible for the annual audit and completed his second year on the audit. The External Reporting Board (XRB) is the Crown Entity responsible for accounting and auditing and assurance standards in New Zealand and their maximum prescribed rotation period for large not for profit Public Benefit Entities is seven years.