

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF FREIGHTWAYS LIMITED

Notice is hereby given to all Shareholders that the Annual Meeting of Shareholders of Freightways Limited (Freightways) will be held in the Rutherford Room, Alexandra Park, Greenlane Road West, Epsom, Auckland, on Thursday, 25 October 2018 at 10.00 am.

Business

- A. Chairman's introduction**
- B. Chief Executive Officer's Review and Trading Update**
- C. Resolutions**

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

1. That Abby Foote be elected as a Director of Freightways.
2. That Andrea Staines be elected as a Director of Freightways.
3. That Peter Kean be re-elected as a Director of Freightways.
4. That the total quantum of annual Directors' fees be increased by \$92,400 from an aggregate of \$570,500 to an aggregate of \$662,900 to allow for an additional non-executive Director, such aggregate amount to be divided amongst the Directors as they deem appropriate.
5. That the Directors are authorised to fix the Auditors' remuneration.

By Order of the Board

Mark Royle
CHIEF FINANCIAL OFFICER

4 October 2018

PROXIES AND REPRESENTATIVES

Shareholders may exercise their right to vote at the meeting either by being present in person or by appointing a proxy to attend and vote in their place. A proxy need not be a shareholder of the Company. A body corporate shareholder may appoint a representative to attend the meeting on its behalf. A combined admission card and proxy form is enclosed with this notice. If you wish to vote by proxy you must complete and sign the proxy form and send it to the Company's share registrar, Computershare Investor Services Limited. The proxy form will only be effective if it is received by the Company's share registrar no later than 10.00am Tuesday, 23 October 2018, being 48 hours prior to the commencement of the meeting. A reply paid envelope is enclosed if mailing the proxy form from within New Zealand. If you wish to deposit your proxy by fax, please send it to Computershare on fax (09) 488 8787.

EXPLANATORY NOTES

APPOINTMENT OF DIRECTORS

During the last year, the Board reviewed the make-up of skills and capabilities required for the future success of the Company. This review used both external advice and the Directors' own knowledge of the strategy and future of the Company. The Board took account of the retirement of former Managing Director, Dean Bracewell (31 December 2017), and Chairman, Sue Sheldon (at the Annual Shareholders' Meeting on 25 October 2018), in its deliberations. As a result of this work, the Board determined that the skills and capabilities of Abby Foote and Andrea Staines both replace those of Dean Bracewell and Sue Sheldon and position the Company well for its anticipated future requirements.

RESOLUTION 1: ELECTION OF DIRECTOR

Abby Foote was appointed by the Board subsequent to the last Annual Meeting and offers herself for election. The Board has determined that Abby Foote is an Independent Director and unanimously recommends that shareholders vote in favour of her election.

Abby Foote LLB (Hons), BCA, CMInstD, INFINZ (cert)

Abby was appointed a Director in June 2018. She is a professional director with over 10 years' governance experience, with qualifications in both law and accounting. Abby has experience in a range of senior management, finance and legal roles, with a focus on corporate finance and commercial transactions. Abby is currently a director of Z Energy Limited, where she chairs the Health, Safety, Security & Environment Committee; a director and chair of the audit & risk committees of The Museum of New Zealand Te Papa Tongarewa and TVNZ; and a director of Sanford Limited. Abby has previously served on the boards of Livestock Improvement Corporation Limited, Transpower New Zealand Limited, Diligent Corporation and the New Zealand Local Government Funding Agency Limited.

RESOLUTION 2: ELECTION OF DIRECTOR

Andrea Staines was appointed by the Board subsequent to the last Annual Meeting and offers herself for election. The Board has determined that Andrea Staines is an Independent Director and unanimously recommends that shareholders vote in favour of her election.

Andrea Staines BE, MBA

Andrea was appointed a Director in August 2018. She is a professional director based in Australia. Andrea has 12 years' governance experience on the Boards of a range of Australian entities, mostly in the transport and retail services sector. Andrea has an undergraduate degree in Economics, and an MBA focused on financial analysis and strategy. Her executive experience was mostly in airlines, including American Airlines in Dallas, and Qantas Group in Sydney. During her last five years at Qantas, she co-launched Australian Airlines (mark II) as Chief Commercial Officer, and became CEO shortly after launch. Earlier roles at Qantas included running Global Revenue Management.

RESOLUTION 3: RE-ELECTION OF DIRECTOR

Peter Kean is retiring by rotation and offers himself for re-election. The Board has determined that Peter Kean is an Independent Director and unanimously recommends that shareholders vote in favour of his re-election.

Peter Kean

Peter was appointed a Director in July 2016. He brings to Freightways many years of senior executive experience with the Lion group of companies in both New Zealand and Australia. Peter's last executive roles were as Managing Director of Lion Nathan New Zealand and Managing Director of Lion Dairy and Drinks, based in Melbourne. Peter retired from Lion in 2014 and has since developed his career in governance. Peter is also a director of Sanford Limited, the New Zealand Rugby Union and a number of private companies.

RESOLUTION 4: DIRECTORS' FEES

That the total quantum of annual Directors' fees be increased by \$92,400 from an aggregate of \$570,500 to an aggregate of \$662,900 to allow for an additional non-executive Director, such aggregate amount to be divided amongst the Directors as they deem appropriate.

The Directors review fees annually to ensure the aggregate amount available for Directors' remuneration is adequate to allow Directors' fees to remain aligned with market levels. This year, the Directors propose an increase to the aggregate pool of Directors' fees to allow for the recent addition of an Australian non-executive Director, who was appointed effective 20 August 2018. This Board appointment replaced the Board position held by the previous executive Managing Director, who retired effective 31 December 2017. The Directors do not seek any annual incremental adjustment to fees levels.

In accordance with NZX Main Board Listing Rule 9.3.1, the Directors and their Associated Persons are restricted from voting on this resolution.

RESOLUTION 5: AUDITORS

The present auditors of the Company are PricewaterhouseCoopers. Under the Companies Act 1993 they will continue in office.