



corporate travel
management

Notice of Annual General Meeting

Corporate Travel Management Limited ACN 131 207 611

Corporate Travel Management Limited
(ACN 131 207 611)

Notice of Annual General Meeting

Notice is given that the Annual General Meeting for Corporate Travel Management Limited (ACN 131 207 611) (the **Company**) for 2018 will be held on Wednesday, 31 October 2018 at 11.00am (Brisbane time) at the offices of Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 (the **Meeting**).

Important: The resolutions set out in this Notice should be read together with the accompanying Explanatory Memorandum.

Agenda

Financial Statements and Reports

To consider the annual financial report, directors' report and the auditors' report for the Company and its consolidated entities for the financial year ended 30 June 2018.

Resolution 1: Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

'That the Remuneration Report for the year ended 30 June 2018 be adopted.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 2: Election of Director – Admiral Robert J. Natter

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

'That, Admiral Robert J. Natter, who retires by rotation in accordance with the Company's constitution and the ASX Listing Rules and being eligible offers himself for election as a Director of the Company, be elected as a Director of the Company.'

Resolution 3: Ratification and approval of previous issue of shares to SCT Travel Group Pty Ltd vendors

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

'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 85,627 shares at an issue price of \$23.36 per share as detailed in the Explanatory Memorandum, be approved.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 4: Ratification and approval of previous issue of shares to fund acquisition of Lotus Travel Group

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

'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 1,554,000 ordinary shares at an issue price of \$25.75 per share as detailed in the Explanatory Memorandum, be approved.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

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Resolution 5: Issue of share appreciation rights to Ms Laura Ruffles

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

'That, for the purposes of the ASX Listing Rule 10.14, section 208(1)(a) of the Corporations Act, and for all other purposes, the issue by the Company of 150,000 share appreciation rights to Executive Director, Ms Laura Ruffles, under the Company's Share Appreciation Rights Plan on the terms set out in the Explanatory Statement, be approved.'

Voting exclusion

The Company will disregard particular votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 6: Approval of employee incentive scheme

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

'That the issue of securities in the Company under the CTM exempt employee share plan (EESP) be approved for the purposes of ASX Listing Rule 7.2, exception 9.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

The attached Explanatory Memorandum is incorporated into and forms part of this Notice. Detailed explanations of the background and reasons for the proposed resolutions are set out in the Explanatory Memorandum.

By order of the Board of Directors



Suzanne Yeates
Company Secretary

28 September 2018

Dated

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Notes

Eligibility to Vote

Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) permits the Company to specify a time, not more than 48 hours before a general meeting, at which a 'snap-shot' of shareholders will be taken for the purposes of determining shareholder entitlements to vote at the Meeting.

The Board has determined that the registered holders of ordinary shares at 7.00pm (Sydney time) on Monday, 29 October 2018 will be taken to be holders of ordinary shares for the purposes of the Meeting and accordingly, will be entitled to attend and vote at the Meeting.

Voting by Proxy

An eligible shareholder can vote in person at the Meeting or appoint a proxy or, where a shareholder is entitled to two or more votes, two proxies. Where two proxies are appointed, a shareholder may specify the number or proportion of votes to be exercised by each proxy appointed. If no number or proportion of votes is specified, each proxy appointed will be taken to exercise half of that shareholder's votes (disregarding fractions).

An appointed proxy need not themselves be a shareholder.

To be valid, the appointment of a proxy (made using a properly completed and executed Proxy Form) must be received by the Company no later than 11.00am (Brisbane time) on Monday, 29 October 2018.

Proxy Forms can be submitted in three ways:

- **Online** by visiting www.investorvote.com.au and quoting the 6 digit control number found on the front of your proxy form. Intermediary Online subscribers (Custodians) can lodge a proxy online by visiting www.intermediaryonline.com;
- By **mail** to GPO Box 242, Melbourne, Victoria 3001; or
- By **facsimile** to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Instructions on how to complete the Proxy Form are on the reverse of the Proxy Form attached to this Notice.

If a Proxy Form is signed by an attorney, a shareholder must also send in the original or a certified copy of the power of attorney or other authority under which the Proxy Form is signed.

Undirected Proxies

The Chair of the Meeting intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions below).

Voting by Corporate Representative

A shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the *Corporations Act 2001* (Cth) (the **Corporations Act**). The representative should bring to the Meeting evidence of his or her appointment unless it has been previously provided to the Company's share registry.

Voting by Attorney

A shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the shareholder's behalf. An attorney need not themselves be a shareholder.

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The power of attorney appointing the attorney must be signed and specify the name of each of the shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms.

Voting Exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote in particular ways, and the Company must disregard particular votes cast by or on behalf of certain persons, on five of the resolutions to be considered at the Annual General Meeting. These voting exclusions are described below.

Resolutions 1: Remuneration Report

Votes may not be cast, and the Company will disregard any votes cast, on Resolution 1:

- by or on behalf of any KMP member whose remuneration details are included in the Remuneration Report, or any of their closely related parties, regardless of the capacity in which the votes are cast; or
- by any person who is a KMP member as at the time the resolution is voted on at the Annual General Meeting, or any of their closely related parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting in accordance with an express authorisation in the proxy appointment to cast the votes even if the resolution is connected directly or indirectly with the remuneration of a KMP member.

Resolutions 3: Ratification and approval of previous issue of shares to SCT Travel Group Pty Ltd vendors

Votes may not be cast, and the Company will disregard any votes cast, in favour of Resolution 3 by or on behalf of a person who participated in the issue of the shares the subject of the resolution or any of their associates, regardless of the capacity in which the votes are cast, unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting in accordance with a direction in the proxy appointment to vote as the proxy decides.

Resolutions 4: Ratification and approval of previous issue of shares to fund acquisition of Lotus Travel Group

Votes may not be cast, and the Company will disregard any votes cast, in favour of Resolution 4 by or on behalf of a person who participated in the issue of the shares the subject of the resolution or any of their associates, regardless of the capacity in which the votes are cast, unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting in accordance with a direction in the proxy appointment to vote as the proxy decides.

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Resolution 5: Issue of share appreciation rights to Ms Laura Ruffles

Votes may not be cast, and the Company will disregard any votes cast:

- in favour of Resolution 5 by or on behalf of Ms Laura Ruffles or Mr Jamie Pherous, each of whom are eligible to participate in the SARP, or any of their associates, regardless of the capacity in which the votes are cast;
- in favour of or against Resolution 5 by any person who is a KMP member as at the time the resolution is voted on at the Annual General Meeting, or any of their closely related parties, as a proxy; or
- on Resolution 5 by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party,

unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- where the Chairman is not a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party, by the Chairman of the Annual General Meeting in accordance with:
 - an express authorisation in the proxy appointment to cast the votes even if the resolution is connected directly or indirectly with the remuneration of a KMP member; and
 - where the Chairman is a Director who is eligible to participate in any Company employee incentive scheme – a direction in the proxy appointment to vote as the proxy decides.

Resolution 6: Approval of employee incentive scheme

Votes may not be cast, and the Company will disregard any votes cast:

- in favour of Resolution 6 by or on behalf of any Director who is eligible to participate in any Company employee incentive scheme, or any of their associates, regardless of the capacity in which the votes are cast; or
- in favour of or against Resolution 6 by any person who is a KMP member as at the time the resolution is voted on at the Annual General Meeting, or any of their closely related parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on the resolution:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting in accordance with:
 - an express authorisation in the proxy appointment to cast the votes even if the resolution is connected directly or indirectly with the remuneration of a KMP member; and
 - where the Chairman is a Director who is eligible to participate in any Company employee incentive scheme – a direction in the proxy appointment to vote as the proxy decides.

For the purposes of these voting exclusions:

- The **KMP** (or **key management personnel**) are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporate Travel Management Limited consolidated group, either directly or indirectly. This includes all Directors (executive and non-executive) and selected members of the management team. The KMP for the Corporate Travel Management Limited consolidated group during the year ended 30 June 2018 are listed in the Remuneration Report contained in the Company's 2018 Annual Report.

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- A ***closely related party*** of a KMP member means:
 - a spouse or child of the member; or
 - a child of the member's spouse; or
 - a dependant of the member or of the member's spouse; or
 - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
 - a company the member controls.

The Company will also apply these voting exclusions to persons appointed as attorney by a shareholder to attend and vote at the Annual General Meeting under a power of attorney, as if they were appointed as a proxy.

Resolutions

All items of business involving a vote by shareholders require ordinary resolutions, which means that, to be passed, the item needs the approval of a simple majority of the votes cast by shareholders entitled to vote on the resolution.

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Explanatory Memorandum

This Explanatory Memorandum forms part of the notice convening the Annual General Meeting of Corporate Travel Management Limited (ACN 131 207 611) to be held at the offices of Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 at 11.00am (Brisbane time) on Wednesday, 31 October 2018.

Financial Statements and Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company and its consolidated entities for the most recent financial year (namely the period ended 30 June 2018) will be laid before the Meeting.

There is no requirement for a shareholder resolution on this item. Accordingly, there will be no resolution put to the Meeting. Shareholders will be provided with a reasonable opportunity at the Meeting to ask questions about the reports.

In addition to asking questions at the Meeting, shareholders may address written questions to the chairman about the management of the Company or to the Company's auditor PricewaterhouseCoopers, if the question is relevant to:

- the content of the auditor's report; or
- the conduct of the business of the annual financial report to be considered at the meeting.

Written questions from shareholders must be submitted by 5.00pm (Brisbane time) on Wednesday, 24 October 2018. Please send any written questions to:

The Company Secretary
Corporate Travel Management
Level 24
307 Queen Street
BRISBANE QLD 4000

Resolution 1: Remuneration Report

The Remuneration Report is required to be considered by shareholders in accordance with section 250R of the Corporations Act.

The Remuneration Report for the year ended 30 June 2018:

- reports and explains the remuneration arrangements in place for executive Directors, senior management and non-executive Directors;
- explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company; and
- discusses the relationship between the Board policies and Company performance.

The Remuneration Report, contained in the 2018 Annual Report, is available on the Company's website at www.travelctm.com.

Shareholders will have an opportunity to ask questions and make comments about the Remuneration Report at the Meeting. Shareholders will be asked to vote on a resolution to adopt the Remuneration Report. Under the Corporations Act, the vote on the resolution is advisory only and does not bind the Board or the Company. The Board will take the discussion at the meeting into consideration when determining CTM's remuneration policy and appropriately respond to any concerns shareholder may raise in relation to remuneration issues.

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Directors' recommendation: *As the resolution relates to matters including the remuneration of the Directors, the Directors, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, make no recommendation regarding this resolution.*

Resolution 2: Election of Director – Admiral Robert J. Natter

The ASX Listing Rules require the Company to hold an election of Directors each year.

Rule 19.3 of the Company's constitution also requires that, at every annual general meeting of the Company, if the number of Directors (excluding the Managing Director and any Director standing for election who was appointed by the Directors as an additional Director or to fill a casual vacancy) 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 (to the nearest whole number) must retire from office.

The Directors to retire under rule 19.3 of the Company's constitution are those longest in office since last being elected. As between Directors who were elected on the same day the Directors to retire are (in default of agreement between them) determined by ballot.

In accordance with the ASX Listing Rules and rule 19.3 of the Company's constitution, Admiral Robert J. Natter retires from office and offers himself for election.

In accordance with the ASX Listing Rules and rule 19.3 of the Company's constitution, Mr Tony Bellas will also retire from office at this year's annual general meeting of the Company. Mr Bellas has decided not to seek re-election.

Admiral Natter retired from active military service a decade ago and now has more than 10 years experience in both the government and private sectors in the North American market.

In his Navy career, Admiral Natter served as the Commander of the U.S. Seventh Fleet operating throughout Asia and the Indian Ocean; Commander in Chief of the U.S Atlantic Fleet; and the first Commander of the U.S. Fleet Forces, overseeing all Continental U.S. Navy bases, facilities and training operations.

Until May of this year, Admiral Natter served as Chairman of the U.S. Naval Academy Alumni Association, and he now serves on the Naval Academy Foundation Board. He served for 10 years on the Board of BAE Systems, Inc. (the U.S. based subsidiary of BAE Systems Plc). He currently serves on the Board of Allied Universal (a privately held US based security company with over 160,000 employees) and is Chairman of the Governance and Compensation Committees. He also served on the Board of the U.S. National Navy Seal Museum and was Chairman of G4S Government Solutions. He is also currently a non-executive director of NOVONIX Limited.

Special responsibilities include:

- (a) Remuneration Committee member; and
- (a) Nomination Committee member.

Directors' recommendation: *The Directors (with the candidate abstaining) unanimously recommend that shareholders vote in favour of the election of Admiral Robert J. Natter as a Director.*

Resolutions 3 and 4: Ratification and approval of previous issue of shares

The purpose of Resolutions 4 and 5 are for shareholders to approve, pursuant to ASX Listing Rule 7.4, previous allotments and share issues, which will otherwise count toward the 15% limit under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the shares on issue at the commencement of that 12 month period.

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The aggregate allotments and issue of securities detailed in the resolutions below will not have exceeded the 15% threshold. However, ASX Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby replenishing that company's 15% capacity and enabling it to issue further securities up to that limit.

The resolutions propose the approval of the previous allotments and issue of securities for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

Resolution 3: Ratification and approval of previous issue of shares to SCT Travel Group Pty Ltd vendors

In compliance with the information requirements of ASX Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	2 July 2018
Number of shares issued	85,627 fully paid ordinary shares
Issue price	\$23.36
Terms of issue	The shares were issued as fully paid ordinary shares, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom shares were issued	Vendors of SCT Travel Group Pty Ltd
Intended use of funds	Not applicable – the shares were issued as partial consideration for the acquisition of SCT Travel Group Pty Ltd (the terms of that acquisition being set out in the share sale agreement and referenced in the ASX announcement dated 1 May 2018).

Directors' recommendation: *The Directors unanimously recommend that shareholders vote in favour of this resolution.*

Resolution 4: Ratification and approval of previous issue of shares to fund acquisition of Lotus Travel Group

In compliance with the information requirements of ASX Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	17 July 2018
Number of shares issued	1,554,000 fully paid ordinary shares
Issue price	\$25.75
Terms of issue	The shares were issued as fully paid ordinary shares, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom shares were issued	Sophisticated and professional investors.

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Intended use of funds	The proceeds of the issue of the shares will be used to partially fund the acquisition of Lotus Travel Group (the terms of that acquisition being set out in the share sale agreement and referenced in the ASX announcement dated 11 July 2018).
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Directors' recommendation: *The Directors unanimously recommend that shareholders vote in favour of this resolution.*

Resolution 5: Issue of share appreciation rights to Ms Laura Ruffles

Share appreciation rights are rights to receive an award from the Company which may be satisfied by the issue and/or transfer of shares (equity settlement), cash payment (cash settlement), or a combination of both, as determined by the Board, subject to the satisfaction and/or waiver of vesting conditions (**Share Appreciation Right**).

The award is calculated by reference to an increase in the price of a share from a base price determined by the Board prior to the grant of the Share Appreciation Right (which, in this instance, is proposed to be \$28.60) and the volume-weighted average price per share traded on the ASX over the 30 trading days immediately preceding the time that the performance hurdles and/or other conditions are satisfied and/or waived.

Subject to the approval of shareholders, the Company proposes to grant a maximum amount of 150,000 Share Appreciation Rights to Executive Director, Ms Laura Ruffles. The price for each share that may be issued upon vesting of a Share Appreciation Right is nil.

The objective of the proposed grant of Share Appreciation Rights to Ms Ruffles is primarily to link the reward of Share Appreciation Rights to shareholder value creation, and align her interests with those of shareholders to encourage the long-term sustainable growth of the Company.

The Share Appreciation Rights will be issued under and subject to the terms of the SARP.

ASX Listing Rule 10.14 provides that a company must not issue equity securities to a director of the company under an employee incentive scheme unless the issue has been approved by holders of ordinary securities. Once approval is obtained pursuant to ASX Listing Rule 10.14, the Company is entitled to rely on ASX Listing Rule 10.12, exception 4 as an exception to any requirement that may otherwise apply requiring shareholder approval under ASX Listing Rule 10.11. Similarly, approval will not be required under ASX Listing Rule 7.1.

The key terms of the Share Appreciation Rights are set out in the table below:

Number	150,000
Vesting Date(s)	After the release of results for the financial year ending 30 June 2021, subject to the Directors determining that the applicable vesting conditions have been met.
Vesting Conditions	Vesting is conditional upon the Directors determining that the Company has achieved 10% earnings per share growth per annum (compound) over a three year vesting period. If 90% of the target is achieved, 75% of the Share Appreciation Rights vest. If 80% of the target is achieved, 50% of the Share Appreciation Rights vest. Subject to the SARP, if less than 80% of the target is achieved, no Share Appreciation Rights vest.

Other general terms of the Share Appreciation Rights

It is intended that the Share Appreciation Rights will be issued within 5 days after the Annual General Meeting, but in any event will be issued no later than 12 months after the meeting.

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For the purpose of ASX Listing Rule 10.15.4A, Ms Ruffles and Mr Jamie Pherous, being salaried directors, are the only Directors entitled to participate in the SARP.

For the purpose of ASX Listing Rule 10.15.4, Ms Ruffles has previously received 150,000 Share Appreciation Rights under the SARP since the plan was last approved at the Annual General Meeting of the Company on 24 October 2017. In addition, a total of 100,000 Share Appreciation Rights granted to Ms. Ruffles in 2015 vested in August 2018 and Ms. Ruffles was issued with 59,791 fully paid ordinary shares upon vesting.

There are no loan arrangements with Ms Ruffles in relation to the acquisition of the Share Appreciation Rights.

The other general terms of the Share Appreciation Rights to be issued under Resolution 5 are:

- (a) subject to the ASX Listing Rules and applicable law, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital, the Board may in its discretion make adjustments to a participant's Share Appreciation Rights on any basis it sees fit to minimise any advantage or disadvantage accruing to the participant as a result of such corporate actions or alterations to capital;
- (b) subject to the Board determining otherwise, or by operation of the law, Share Appreciation Rights are not generally transferrable. A participant is also prohibited from entering into an arrangement for the purpose of hedging its economic exposure to a Share Appreciation Right which has been granted;
- (c) the Company will not apply for official quotation of Share Appreciation Rights on the ASX, unless the Board determines otherwise;
- (d) all shares issued or transferred to a participant upon settlement will rank equally in all respects with other shares of the same class for the time being on issue except for any rights attaching to the shares by reference to a record date prior to the date of the allotment or transfer of the shares; and
- (e) Share Appreciation Rights do not entitle the holder to notice of, or to vote or attend at, shareholders' meetings, or to receive any dividends declared by the Company.

General Information

Consistent with the accounting standards, the Company discloses the following information concerning the value of the Share Appreciation Rights to be issued. A fair value for the Share Appreciation Rights to be issued has been calculated using the Black Scholes methodology and based on a number of assumptions, set out below, with an adjustment to the expected life of the Share Appreciation Rights to take account of limitations on transferability. This methodology is commonly used for valuing Share Appreciation Rights and is one of the permitted methodologies under ASIC Regulatory Guide 76. The Board believes this valuation model to be appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the Share Appreciation Rights.

The Board draws shareholders' attention to the fact the stated valuation does not constitute and should not be taken as audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 22 August 2018.

Valuation for Share Appreciation Rights to be issued to Ms Ruffles

Underlying price	\$30.87 (share price as at 22 August 2018)
Volatility	22.5%

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Dividend Yield (estimate)	3.0%
Expiry Date	30 June 2021
Vesting Date	After the release of results for the financial year ending 30 June 2021, subject to the Directors determining that the applicable vesting conditions have been met.
Exercise (strike) price	\$29.00
Risk free rate	2.13%
Value – per right	\$4.8046
Number of Share Appreciation Rights issues	150,000
Employee benefit expense	\$720,690 (to be amortised over the applicable three year performance period)

Remuneration

Excluding the value of the proposed Share Appreciation Rights, Ms Ruffles currently receives the following emoluments for her position as Executive Director, CEO Australia and New Zealand and Chief Operating Officer (Global). The amount stated is per annum comprising salary, superannuation contributions and known short and long-term incentive payments for the 2018/2019 financial year:

- (a) Fixed remuneration of \$700,000 (including superannuation), including non-cash benefits of \$11,194;
- (b) Short-term incentive of \$533,000 (excluding superannuation). This short-term incentive is expected to be paid in the 2018/2019 financial year, but relates to performance for the 2017/2018 financial year; and
- (c) Long Term incentive of \$1,710,000. This amount is calculated based upon the issue of 59,791 shares with a value of \$28.60 following the vesting of 100,000 Share Appreciation Rights. The base price, at the time the Share Appreciation Rights were granted in 2015, was \$11.50. While the shares are deemed to have a value of \$28.60, they are issued at nil cash cost to the Company.

Financial Benefit – Details and reasons

Approval has been sought for the giving of a financial benefit to Ms Ruffles, as a related party, under section 208 of the Corporations Act. Section 229(3)(e) of the Corporations Act provides that the 'issuing of securities or granting of an option to a related party' (which includes a director of an entity) is an example of the giving of a financial benefit. The amount, terms and value (subject to the stated assumptions) of the Share Appreciation Rights are set out above.

The reasons for giving this financial benefit are:

- (a) the Company wishes to maximise the use of its cash resources towards other strategic initiatives and equity based incentives;
- (b) the total quantum of Share Appreciation Rights to be issued is reasonable in number, and will act as an incentive for future growth of the business;

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- (c) Share Appreciation Rights are designed to incentivise employees, and in this case, to incentivise the Executive Director, CEO (Australia and New Zealand) and Chief Operating Officer (Global) of the Company. Share Appreciation Rights also act to provide a retention incentive for key employees, such as Ms Ruffles, to facilitate long-term growth;
- (d) equity based incentives assist in the alignment of shareholders and Directors' interests; and
- (e) the Company believes the associated expense is limited and the nature of the Share Appreciation Rights package proposed is commensurate with market practice.

On this basis the Company believes the giving of the financial benefit, as constituted by the issue of the Share Appreciation Rights to Ms Ruffles is in the best interests of the Company and its shareholders.

Existing interests and the dilutionary effect on other shareholders' interests

The effect that the vesting of the Share Appreciation Rights will have on the interests of Ms Ruffles relative to other shareholders' interests is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of the Company during the time between issue and vesting of the Share Appreciation Rights.

Details (as at the date of this Notice of Meeting)	
The total number of shares on issue in the capital of the Company	108,258,040
Shares currently held by Ms Ruffles (including indirect interests)	177,915
% of shares currently held by Ms Ruffles	0.16%
Share Appreciation Rights held by Ms Ruffles prior to Annual General Meeting (including indirect interests)	350,000
Share Appreciation Rights to be issued under this resolution to Ms Ruffles following Annual General Meeting	150,000
Shares that will be held following the vesting of all Share Appreciation Rights held by Ms Ruffles	The number of shares to be issued, if any, is dependent upon the growth in the share price over the performance period.

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% of shares that would be held by Ms Ruffles assuming no other Share Appreciation Rights held by other parties vested

At least 0.16%, but the total percent of shares will be dependent upon the growth in the share price over the performance period.

Directors' recommendation: *The Directors, in the interest of good corporate governance, make no recommendation regarding this resolution.*

Resolution 6: Approval of employee incentive scheme

ASX Listing Rule 7.1 prohibits the Company issuing equity securities which, in aggregate, exceed 15% of the fully paid ordinary share capital of the Company in any 12 month period.

ASX Listing Rule 7.2, exception 9 provides that ASX Listing Rule 7.1 does not apply to the issue of securities by the Company under an employee incentive scheme if the scheme was established before the entity listed and a summary of the terms were included in the prospectus, or if the scheme has been approved by shareholders within three years from the date of issue of the relevant securities.

The Board believes that the grant of rights under the CTM exempt employee share plan (**EESP**) serves a number of positive purposes including acting as a retention tool for employees of the Company and focusing on shareholder value generation.

Shareholders last approved the issue of shares under the EESP for the purposes of Listing Rule 7.2, exception 9 at the 2014 Annual General Meeting of the Company. The Company is seeking approval from shareholders again this year that the issue of shares under the EESP be exempt from its 15% capacity under ASX Listing Rule 7.1, in accordance with ASX Listing Rule 7.2, exception 9. A summary of the key terms of the EESP is provided below. Since the EESP was last approved at the Annual General Meeting of the Company on 29 October 2014, no fully paid ordinary shares have been issued under the EESP and a total of 28,489 fully paid ordinary shares have been acquired on market for employees under the EESP.

Eligibility criteria	The EESP may be offered to certain eligible employees of the Company. The EESP is designed to comply with the requirements for the \$1,000 'tax exempt' treatment under section 83A-35 of the Income Tax Assessment Act 1997 (Cth), as amended from time to time. Persons who may be eligible to participate in the EESP are full-time or permanent part-time employees, with one or more companies in the CTM Group.
Grant of shares	<p>Shares may be offered to eligible employees as the Directors determine. Offers under the EESP must be made by the Company on a 'non-discriminatory' basis consistent with the tax requirements (and other applicable requirements) to at least 75% of Australian resident permanent employees with three years' service with the essential features of the EESP being offered to all such employees on the same terms.</p> <p>The offer must be in writing and specify, amongst other things, the date of the invitation, the number of shares available to the employee, the price of the shares, the number of shares for which the eligible employees may apply or be granted and any conditions attaching to the shares.</p>
Quotation	The Company must apply for official quotation of any shares issued under the EESP.

Corporate Travel Management Limited

ACN 131 207 611

Interest restriction	No eligible employee may continue to participate in the EESP if, immediately after the acquisition of the shares, the eligible employee would be in a position to cast, or control the casting of, more than 5% of the maximum number of votes that might be cast at a general meeting of the Company.
Disposal	Shares must be subject to conditions specified by the Board or contained in the EESP rules, including a restriction on disposal of shares issued under the EESP rules for a period of the earlier of three years after their issue, termination or cessation of employment.
Rights of participants	<p>Shares will rank equally with other ordinary shares. The shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.</p> <p>Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the shares will be correspondingly changed to the extent necessary to comply with the Listing Rules.</p>
Administration	The EESP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the EESP.
Termination and amendment	The EESP may be amended at any time by the Board (subject to the Listing Rules). At the time of issuing the Prospectus, the Company had reserved the equivalent of up to 5% of its share capital for future allocation under the EESP.

Directors' recommendation: *The Directors, in the interest of good corporate governance, make no recommendation regarding this resolution.*



**corporate travel
management**
ABN 17 131 207 611

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 782 544
(outside Australia) +61 3 9415 4173

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 182057

SRN/HIN:

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



For your vote to be effective it must be received by 11.00am (Brisbane time) Monday, 29 October 2018

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.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

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

I/We being a member/s of Corporate Travel Management 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 Corporate Travel Management Limited to be held at the offices of **Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 on Wednesday, 31 October 2018 at 11.00am (Brisbane time)** 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 **Items 1, 5 and 6** (except where I/we have indicated a different voting intention below) even though **Items 1, 5 and 6** 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 **Items 1, 5 and 6** by marking the appropriate box in step 2 below.

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
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director - Admiral Robert J. Natter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification and approval of previous issue of shares to SCT Travel Group Pty Ltd vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification and approval of previous issue of shares to fund acquisition of Lotus Travel Group	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of share appreciation rights to Ms Laura Ruffles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of employee incentive scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Before completing your vote and returning by post, please consider using the preferred electronic voting option outlined on the front page of this form.

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.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /