



Company	ADBRI, formerly Adelaide Brighton
Code	ABC
Meeting	AGM
Date	19 May 2020
Venue	On-line only
Monitor	Bob Ritchie assisted by Malcolm Keynes & Des Moriarty

Number attendees at meeting	146
Number of holdings represented by ASA	183
Value of proxies	\$5m
Number of shares represented by ASA	1.9 m (ahead of 19 th largest shareholder in Top 20 list)
Market capitalisation	\$1.6 bn
Were proxies voted?	Yes, on a poll of votes registered prior to meeting.
Pre AGM Meeting?	Yes, with chair Ray Barro and People and Culture Committee chair Vanessa Guthrie.

Same business – new name

The online meeting was chaired by lead independent director, Zlatko Todorovski, in the company's Sydney office. Board chair, Ray Barro and other directors attended online.

Upon opening the meeting, the chair welcomed people attending online and acknowledged traditional owners of country. He opened the poll as all votes had been lodged on line, confirmed that all directed proxies were being voted by him as directed and all open proxies were being voted by the chair as stated in the notice of meeting: in favour of all resolutions except the final (contingency) resolution which would not be put as there was no second strike on the remuneration report. Open proxies donated to ASA were voted according to our voting intentions: in favour of all resolutions except the final (contingency) resolution.

Of the 1.9 million proxies held by ASA, there were significant directed votes opposite to the ASA position on three items: 15% of our proxies were voted by direction against adoption of the remuneration report, 12% against change of name and 10% in favour of a spill of the board in the event of a second strike (which did not occur). ASA proxies were donated to the chair, directed proxies as directed to ASA and open proxies directed in favour of all items except the final (contingency) motion.

Pre-recorded speeches by board chair Ray Barro and CEO Nick Miller were accompanied by slides on screen. Transcript of speeches can be found on the first link following and slides can be found on the second.

- <https://adbri.com.au/-/adbri/lib/pdfs/2020/19-05-2020%202020%20AGM%20Addresses%20&%20Presentation.pdf>
- <https://adbri.com.au/-/adbri/lib/pdfs/2020/19-05-2020%202020%20AGM%20%20Presentation.pdf>

The story chiefly was as in the annual report, updated for COVID-19. Improved safety performance, driven by a specific program, was highlighted. Effect of competition in South Australia was mentioned as import driven. The counter-cyclic business elements of mining on the one hand and construction on the other was mentioned as balancing strategy. Alternative fuels and solar power to be introduced were mentioned in the context of cost reduction and reduction of green-house gases in an industry which has a large footprint.

Upon completion of pre-recorded speeches, the broadcast to your monitors failed. As we each were in our own homes, we recognised this as a system failure.

Subsequently, an audio record of the whole meeting, including questions and answers, has been posted on the company web site: <https://adbri.com.au/investors#shareholder-meetings-2020>

Questions and answers ensued. The first seven questions concerned financial & allied reports. Both questions and answers are paraphrased and simplified.

1. Did \$30m cost saving result from prior slack management allowing cost escalation? Cost reduction has been ongoing but was escalated in face of import competition and economic downturn.
2. Does Barro Group plan a takeover at a currently low share price? Increase (from 19 to 43%) occurred over two decades and each change was reported to ASX. No active conversation.
3. Possibility of merger with Barro Group? No active conversation.
4. Green concrete as competition or opportunity? (ASA) Already use fly ash and slag in some products. Research staff now includes a geopolimer PhD. Engage with industry association (on cementation product specification standards).
5. Possibility of share buy-back at these low share prices? Not on current agenda.
6. Why is Cockburn plant in WA still burning coal? Actively considering options which satisfy long term supply.
7. Current greenhouse gases reduction target of 7% over next 5 years falls short of 7% each year to achieve Paris standard. Achieved 30% reduction over last decade. Working to identify options and credible targets for escalated reduction.

No question on re-election of Vanessa Guthrie.

Two questions on re-election of Geoff Tarrant.

8. Why a third Barro Group nominee? Cannot ignore GT's skills, knowledge & experience.
9. Share acquisition? (ASA) Minimum shareholding of directors adopted by board in 2018 as one year of base fee to be acquired within five years.

One question on election of Emma Stein.

10. What due diligence did she undertake before accepting offer of directorship? (ASA) Prior experience ensured good insight into this company; enhanced by due diligence process adopted by this board. Including individual meetings with directors and briefing by CEO prior to an offer.

One question on name change.

11. Brand name Adelaide Brighton was built over many years; why change? Market research found perception was of a cement only producer linked to only one state. Product brands will remain unchanged; only the company itself is to change its name.

Voting results are available on this link.

<https://adbri.com.au/-/adbri/lib/pdfs/2020/2065812.pdf>

Our summary is in this table.

Item number & Resolution	% FOR	% AGAINST
2 Re-election of Vanessa Guthrie	99.74%	0.26%
3 Re-election of Mr Geoff Tarrant	98.33%	1.67%
4 Election of Emma Stein	99.10%	0.90%
5 Change of Company name	99.44%	0.56%
6 Remuneration Report	97.78%	2.22%

The company is now called ADBRI. Same ASX code: ABC.

There were no drinks or nibbles post meeting.