



Company	Metcash Limited
Code	MTS
Meeting	AGM
Date	1 September 2021
Venue	Online
Monitor	Don Adams, assisted by Gary Barton

Number attendees at meeting	Not yet available
Number of holdings represented by ASA	60
Value of proxies	\$2.07m
Number of shares represented by ASA	519,051
Market capitalisation	\$3.52bn – on day of meeting
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, online meeting with Rob Murray, Chair; Helen Nash, NED and Chair of People and Culture Committee; and Steven Ashe, Head of Corporate Affairs & Investor Relations

A good meeting caps a good year for Metcash

Online or virtual AGMs can be frustrating experiences, but the Metcash AGM was handled very well. The addresses by the Chair, Rob Murray, and the CEO, Jeff Adams, were clear and to the point and the questions were answered fully and gracefully. It was still not a substitute for a live meeting where more interaction is available.

The Chair and CEO spoke about strategy, governance, performance, and the CEO gave a trading update for FY2022. The full text of the Chairman’s speech and the presentation by the CEO are available on the Metcash website at <https://www.metcash.com/investor-centre/>. The Total Tools investment (now at 85%) has been an outstanding success.

The meeting then moved to questions were read out completely including the name of the questioner.

The ASA commented that Metcash faces strong competition in its three pillars of groceries, liquor and hardware and we asked if they saw opportunities in other markets such as pharmacies, food services or international. Rob Murray responded by reiterating what they are doing to be more competitive in the three existing pillars using tools such as MFutures, Project Horizon, and store refurbishments. He downplayed the idea of applying their marketing and logistics skills to a new industry, but he did not rule it out.

Steven Mayne asked several questions which did not yield much of interest. It emerged that there were no negative recommendations against any of the motion from proxy advisors.

Two new directors were up for election (Christine Holman and Margaret Haseltine) and Murray Jordan was up for re-election. They each spoke to the meeting about the skills and experience that they bring to the Board. We were impressed by the two new directors.

The remuneration report created little interest. The ASA repeated the comment that we made in the Voting Intentions that, while we still have problems with the report, we would vote for it, as opposed to last year.

Rob Murray said that he didn't understand our problems with their remuneration policy when all the proxy advisers had supported it. This illustrates the problem with a virtual meeting – in a real-life meeting the ASA could have stood and rebutted him by describing in more detail the problems we have with the remuneration policy and the style of the report.

The motions to grant LTI performance rights to the CEO were put to the meeting. The ASA commented that our policy is that STI performance rights to the CEO should also be approved by shareholders.

All motions passed comfortably with over 98% of votes for each.

A shareholder had asked if the report on the meeting could include the number of holders as well as the number of shares voted for each motion. The company complied. The results were very interesting. It provided proof that smaller shareholders are more likely to vote against motions. For example, the "Against" vote on the remuneration report was only 1.38% in shares but was 32.7% of shareholders. The full voting report is available on the company website.