



## National Australia Bank 2022 AGM report

ASX code	NAB
Meeting date	16 December 2022
Type of meeting	Hybrid
Monitor	Christine Haydon supported by Dennis Shore
Pre AGM-meeting	Yes, with Chair Philip Chronican and Director Anne Loveridge

### Meeting Statistics

Number of holdings represented by ASA	1,239
Number of shares represented by ASA	5,941,638
Value of shares represented by ASA	\$18,062,579
Total number attending meeting	368 in person, 189 online
Market capitalisation	\$95.84 billion
ASA open proxies voted	On a poll. ASA voted in favour of the resolutions except Market Forces proposal

This marathon meeting gave everyone the opportunity to ask questions. Amid all the positive news of progress regarding the implementation of the strategy to build a stronger, safer, and simpler bank, there were some major themes to the questions. The Chair was questioned by a consistent group of four regarding the \$20m fraud conviction of Rosemary Rogers, the former Chief of Staff to NAB chief executives Andrew Thorburn and Cameron Clyne.

The Chairman, Phil Chronican, apologised and issued a 'mea culpa' on behalf of the bank for not detecting the fraud earlier and assured the audience that as acting CEO he had systems in place to ensure that it never happens again.

ASA asked several questions, one to the two directors seeking re-election about their personal contribution on behalf of shareholders, and another about the dividend policy and when we might see it return to pre-COVID-19 figures. Mr. Chronican's response was the bank wanted to reduce its share count and lift its earnings, which would see dividends sustained or even increase.

A third question related to the proposed changes to the Constitution. We were seeking assurance that those shareholders who wish to receive their notice of meeting, dividend notices, and other communication still have the option of the postal service.

A NAB employee and member of the Finance Sector Union raised issues about the staff being overworked and the rejection of the pay offer in a vote put direct to the employees. NAB CEO Ross McEwan said there was “more work to do” on the enterprise agreement.

An online question from Geoff Wilson, chairman of Wilson Asset Management, regarding the proposed changes to the treatment of franking credits received the following response: “we are strong supporters of franking and what it was set up to achieve.” The advice the bank received was that it would not threaten its normal course of business of passing franking credits on dividends through to the NAB shareholders.

There was substantial police and security presence at the meeting, and all attendees passed security checks to gain admission. However, a group of climate change protestors congregated at the meeting’s entrance and interrupted proceedings before being removed.

There were many questions about the funding of fossil fuels. While NAB has an extensive policy, it seemed that most people hadn’t read it and did not follow the meeting’s protocols. The Chair reiterated the view that climate change is one of the most significant challenges and opportunities of our time and the bank is playing its part in progressively redirecting its funding from emissions intensive sectors to low and zero emissions activities. The resolution put forward by Market Forces failed to gather enough support, receiving just 4.5% of votes in favour. Results from the meeting are given below:

Resolution details		Instructions given to validly appointed proxies (at close)					Direct votes (at close)			Number of votes cast on the poll (where applicable)			Resolution Result
Resolution	Resolution Type	For	Against	Chair’s Open Proxies	Other Open Proxies	Abstain	For	Against	Abstain	For	Against	Abstain*	Carried / Not Carried
1(a) Re-election of Director - Mr Philip Chronican	Ordinary	1,603,887,336	23,910,881	2,852,328	6,033,458	2,708,158	40,726,384	2,098,979	1,232,741	1,654,610,386 98.45%	26,051,979 1.55%	3,949,772	Carried
1(b) Re-election of Director - Ms Kathryn Fagg	Ordinary	1,607,095,407	20,783,139	2,796,504	6,049,595	2,667,516	40,417,747	2,528,271	1,107,817	1,657,483,119 98.61%	23,334,799 1.39%	3,787,301	Carried
1(c) Re-election of Director - Mr Douglas McKay	Ordinary	1,611,504,155	11,816,611	2,879,870	6,054,704	7,136,821	40,616,575	2,175,576	1,265,953	1,662,142,197 99.16%	14,061,235 0.84%	8,406,420	Carried
2 Remuneration Report	Advisory	1,579,841,281	36,472,047	2,918,888	5,918,243	14,239,143	32,682,966	9,616,667	1,478,898	1,621,978,509 97.23%	46,290,828 2.77%	15,774,203	Carried
3(a) Deferred Rights - Group Chief Executive Officer	Ordinary	1,619,708,047	5,385,113	2,858,591	5,959,140	5,481,270	31,600,421	11,339,388	1,158,762	1,660,747,902 98.99%	16,955,094 1.01%	6,945,774	Carried
3(b) Performance Rights - Group Chief Executive Officer	Ordinary	1,611,990,683	13,117,579	2,852,283	5,952,907	5,478,709	31,543,401	11,405,376	1,149,794	1,652,961,686 98.53%	24,744,940 1.47%	6,939,943	Carried
4 Amendments to Company’s Constitution	Special	1,626,039,765	1,459,667	2,925,247	6,032,544	2,934,938	37,332,327	4,853,298	1,806,012	1,673,305,317 99.62%	6,433,184 0.38%	4,809,773	Carried
6(a) Amendment to the Constitution	Special	68,313,173	1,510,646,787	2,883,203	5,841,672	51,707,331	4,746,597	37,470,189	1,800,041	73,493,429 4.51%	1,557,441,146 95.49%	53,631,596	Not Carried
6(b) Climate Risk Safeguarding (conditional upon 6(a))	Ordinary	107,069,486	1,515,879,125	2,895,611	5,829,165	7,718,779	5,133,949	37,779,847	1,100,391	Resolution was not put to the meeting			

\* Votes cast by a person who abstains on an item are not counted in calculating the required majority on a poll.

In summary, NAB is making positive progress with an optimistic view. ASA supported all resolutions, except the Market Forces item mentioned above.

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