



Australian
Shareholders'
Association

PREPARING FOR THE PRE- AGM MEETING



What is the purpose of a pre-AGM?

- ▶ Monitors engage with company representatives to discuss issues before the AGM
- ▶ Monitors can ask questions about financial statements, resolutions and governance issues to help finalise voting intentions
- ▶ Brings attention to the perspective of retail shareholders so that companies are not ambushed by voting intentions
- ▶ Provides an opportunity to discuss significant issues and secure improved outcomes for retail shareholders



Introducing yourself to the Chairman

- ▶ Your team leader or CMC chair will direct you around this.
- ▶ Monitor resources is where template letters and more are available through the ASA website. You can access these by logging in to your member account and heading to the “My company monitoring” tab. Once logged in, click on the “My account” button to navigate to the page with the company monitoring tab.
- ▶ You can also find key resources such as guidelines and focus issues there or on the “Voting and engagement guidelines” page under the “ASX monitoring and shareholder advocacy” section.



Doing your homework

- ▶ Review the company's announcements and reports
- ▶ Prepare a list of questions/issues to discuss with the company representative
- ▶ Read the ASA Voting and Engagement Guidelines for some potential issues to raise at the pre-AGM meeting
 - ▶ Governance and transparency issues
 - ▶ Executive remuneration issues
 - ▶ Capital management issues



The ASA guidelines and focus issues

- ▶ Governance and Transparency
 - ▶ Skills and expertise of directors
 - ▶ Board independence and composition
 - ▶ Adherence to disclosure requirements
- ▶ Executive Remuneration
 - ▶ Assess compliance with factors in 19-36 in deciding whether to vote For or Against the remuneration report
- ▶ Capital Management



Developing the questions to ask

- ▶ Discussing new circumstances which arise including capital raising, material acquisition or governance changes
- ▶ Discuss concerns from the previous year
- ▶ Base questions on financial statements and resolutions



Tips

- ▶ Ensure you do not go to a pre-AGM meeting by yourself if you can help it
- ▶ Make sure your questions are open-ended in structure and not “yes” or “no” questions that can be dismissed
- ▶ Keep an agenda ready as the NED or chair in the room may otherwise take over your meeting
- ▶ Keep track of what the company is doing throughout the year so when you are close to the AGM, you know what to ask about
- ▶ Reach out early to the company’s investor relations or company secretary to let them know you will need time with the chair or appropriate NEDs before the AGM so you can decide how you intend to vote on AGM resolutions

