

Company	Scentre Group Limited
Code	SCG
Meeting	AGM
Date	8 April 2020
Venue	Online - Hybrid meeting
Monitor	David Jackson

Number attendees at meeting	??
Number of holdings represented by ASA	344
Value of proxies	\$4.9m
Number of shares represented by ASA	\$2.6m
Market capitalisation	\$9.8bn
Were proxies voted?	Yes, on a poll
Pre AGM-Meeting?	Yes, with Chair Brian Schwartz & others

Hybrid AGMs are a poor substitute for the normal face to face AGMs

The COVID -19 pandemic forced a quick change from the traditional face to face AGM to a hybrid online meeting and the company is to be congratulated on the speed of implementation. The technology worked with only a short break in transmission and a problem with the ASA online voting of proxies that was rectified after the meeting and before the votes were finalised.

Hybrid AGMs are a poor substitute for a normal face to face meetings as they do not allow sufficient free flowing questioning and visual interaction between the chair of the meeting, the Board and the security holders.

The whole meeting was completed in just short of 30 minutes. The only questions addressed were those submitted prior to the meeting and they were not read out or individually attributed. The Chair, Brian Schwartz did not ask Andrew Harnos to speak to his re-election or Michael Wilkins to speak to his election. At a face to face meeting this would have been questioned as security holders expect directors who are up for election to speak to their appointment. Both directions were elected with over 95% vote in favour.

The Remuneration Report, item 2, almost received a first strike against vote and would have received several questions at a normal meeting. The Chair noted that the Remuneration Report was considered to be complex and difficult to understand, acknowledging a point made by the ASA at the pre-AGM meeting and in a written question. All three votes for the Remuneration related items had very significant against votes: 20.5% item 6 - change of CEO 2019 grant terms, 22.6% item 5 - grant of rights to CEO, and item 2 - Remuneration report 23.3%.

The Chair's address did not mention the elephant in the room, property revaluations, unlike GPT that has already revalued its properties as at 31 March, to reflect COVID-19. Clearly, we expect that there will need to be a significant reduction in property values in 2020.

The Chair mentioned the previously reported arrangements to increase borrowing capacity by \$1.9bn to \$3.1bn and in response to a written question, that it was not intended to have a capital raising.

Operating costs and senior management remuneration will be reviewed, and an announcement will be made at the appropriate time. The complete lack of NEDs with retail skills and experience was not mentioned specifically except in the boiler plate paragraph in the address 'The Board has continued to review the ongoing skills required for our Company—'.

The CEO, Peter Allen, in the light of COVID-19, chaired a negotiated Leasing Code with the Small & Medium Sized Retailers Leasing Code that has been submitted to government. The 42 Westfield Centres remain open and a Click & Collect service (Westfield Direct) is being introduced.