



Recovering post COVID/Unusual short- and long-term incentives

Company/ASX Code	SEEK/SEK
AGM date	Thursday 17 November 2022
Time and location	3pm AEDT, SEEK head office, 60 Cremorne Street, Cremorne, Victoria
Registry	Computershare
Type of meeting	Hybrid
Poll or show of hands	Poll on all items
Monitor	Frank Thompson
Pre-AGM Meeting?	No

Monitor Shareholding: The individual(s) (or their associates) involved in the preparation of this voting intention have no shareholding in this company.

Summary of issues for meeting

SEEK seems to have good governance, are fully aware of ESG issues, having acted on them in the past and planning to act proactively into the future. Actions in the areas of diversity and climate change are particularly commendable.

Points of concern are:

- There is no mention of the tenure of the current auditor and the date of the last competitive tender for auditing.
- Remuneration of the CEO is structured in a way that does not meet ASA guidelines – see Appendix 1 for more details.

Proposed Voting Summary

No.	Resolution description	
2	Adoption of Remuneration Report	Against
3a	Re-election of Leigh Jasper	For
3b	Re-election of Linda Kristjanson	For
4	Non-executive directors' total aggregate fees	For
5	Grant of one Equity Right to MD/CEO, Ian Narev, for the year ending 30 June 2023	Against
6	Grant of Wealth Sharing Plan Options and Wealth Sharing Plan Rights to the MD/CEO, Ian Narev, for the year ending 30 June 2023	Against

Summary of ASA Position

Governance and culture

Top performance in this area. Over 30% of the board and over 52% of employees are female. Other areas of diversity also well recognised. ESG and Climate change issues well progressed,

Financial performance

Whilst NPAT greatly improved this year total shareholder return dropped significantly due to a significant reduction in the share price. Dividend was held at last year's figure of 46.0c/share,

Key events

This year saw the separation of SEEK from SEEK Investments, through the creation of the SEEK Growth Fund (the Fund), which includes Online Education Services and SEEK's investments in early-stage ventures.

Summary

(As at FYE)	2022	2021	2020	2019	2018
NPAT (\$m)	245.5	135.3	139.3	207.5	212.1
Share price (\$)	21.00	33.14	21.89	21.16	21.81
Dividend (cents)	46.0	46.0	13.0	40.0	44.0
Simple TSR(%)	-33.0	53.2	4.0	-3.0	27.0
EPS (cents)	60.5	59.1	39.6	59.1	60.5
CEO total remuneration, statutory (\$m)	5.65				

2 Adoption of Remuneration Report and approval of equity grants to Managing Director/CEO

SEEK awards an equity grant in lieu of an STI. The equity grant is computed using face value of the shares using 60-day VWAP prior to the financial year end. For FY23 the grant amount is \$1.016m, which using a 60-day VWAP on June 30, 2022, amounts to 42,767 shares. These vest after 12 months and are not exercisable for a further 12 months. This is in effect a 24 month-deferred payment with no performance hurdle, and with no pay at risk. The wealth sharing plan (WSP, read LTI) uses a 50:50 combination of options and performance rights, vesting in 3 years (and not exercisable for a further 12 months) and only commences vesting at 50% if a compound aggregate growth rate (CAGR) in share price of 3% is achieved.

The 3-year price target for vesting to commence is \$25.95. Vesting rises linearly to 100% if the CAGR share price is 6% for the 3-year period, namely \$28.29. The WSP does not include a financial hurdle or a comparison with peer companies (to test out-performance) and uses fair value to compute both the options and performance rights (of \$4.80 and \$11.66, respectively, for FY23 at a time when the share price was \$21.00). So, both components of the remuneration are sufficiently at odds with our guidelines that on balance we will again not be supporting this remuneration report or the resolutions to grant the options and rights.

3a & b Election of Directors

Both candidates are well qualified, bring different backgrounds and skills to the board and add to its diversity in a range of areas. Both are independent and meet the ASA workload criteria – supported.

4 Non-executive directors' total aggregate fees

Non-Executive Directors fees are currently around the 25th quartile when compared to other similar companies using the Godfrey Remuneration Group benchmarks. Additionally, these benchmarks anticipate a 4% increase in FY22. On this basis this motion is supported.

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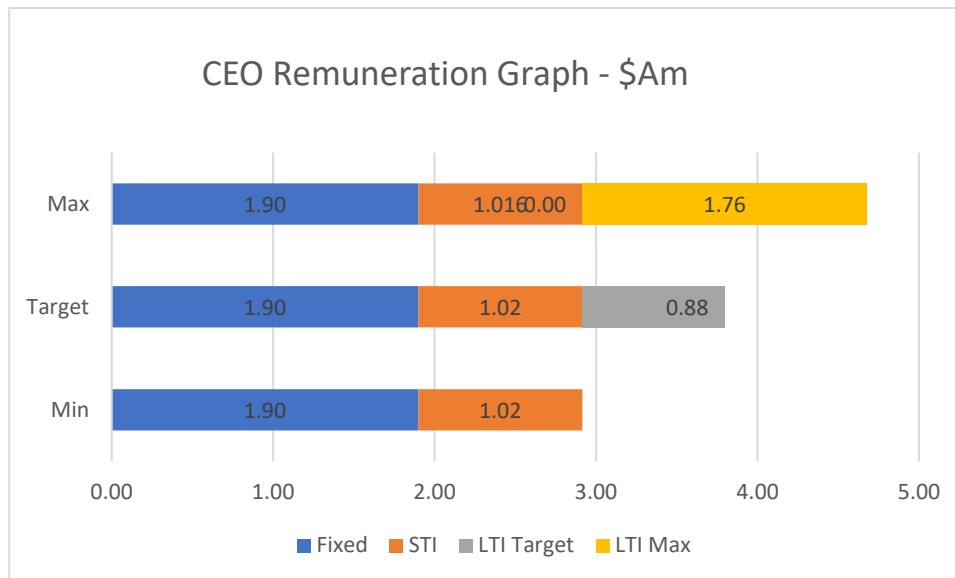
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Appendix 1

Remuneration framework detail



Note no changes to structure from 2021

Positives

- The total quantum of the statutory CEO remuneration package does not unreasonably exceed the Godfrey Group report benchmarks.
- The quantum of Board fees does not reasonably exceed the Godfrey Group report benchmarks.
- At least 50% of CEO's pay is genuinely at risk, with STIs, if any, less than fixed remuneration.
- No termination payments exceed 12 months fixed pay.

Areas for Improvement

- CEO's actual take-home remuneration, as well as the target and maximum opportunity of each component is not clearly disclosed in full, in part because of the complication of having an options component. The WSP component is reported as both an accounting provision and at face value.

Equity grants (the STI equivalent) are subject only to employment continuity and is computed on a 60-day VWAP face value.

- All share grants are allocated at face value not fair value, but the LTI structure has an award of 50% options and 50% share rights, with fair value for the options.
- Vesting in a takeover or "change of control" events is at the discretion of the Board.