



Company	Domain Holdings Australia Limited
Code	DHG
Meeting	AGM
Date	10 November, 2020
Venue	Online only, using Link's agmlive.link site
Monitor	Don Adams

Number attendees at meeting	10 shareholders, 3 proxyholders, 286 guests
Number of holdings represented by ASA	24
Value of proxies	\$322,031
Number of shares represented by ASA	74,891
Market capitalisation	\$2,509m – on day of meeting
Were proxies voted?	Yes, on a poll
Pre-AGM Meeting?	Yes, with Chair Nick Falloon, Diana Eilert, Independent Director and Chair, People and Culture Committee; and Jolanta Masojada, Investor Relations

This was a disappointment

Domain's AGM was disappointing for several reasons. The only questions (bar one) were asked by the ASA, the whole thing was over in 50 minutes and the Board became less independent. They announced at the start that only three questions would be allowed from each shareholder. Since there were no other questions, they asked all five submitted by the ASA.

The Chair, Nick Falloon gave a standard sort of AGM speech. This was followed by a more lively and interesting presentation by the CEO, Jason Pellegrino. He spoke of his strategy to move Domain from an online classified advertising business to a "customer-centric property marketplace". This involves adding services to consumers, such as Domain Loan Finder, and to real estate agents, such as Real Time Agent. Domain continues to add services, such as deferred payment plans for house marketing expenses, which are intended to add depth to listing revenue.

Domain has a similar number of listings as REA, its main competitor but lags badly in the revenue it achieves from each listing. Their strategy is to add depth, or value to each listing by providing these added services.

All resolutions were carried comfortably as would be expected with NEC as a 59% shareholder.

ASA voted against the remuneration report because the STI portion was all cash and had some vague non-financial targets. The overall vote against it was 13.3% so it is apparent that others also have problems. This amounted to 33% of the independent vote, i.e. excluding NEC.

In reply to an ASA question, the Chair said that the STI plan will be subject to a review. He pointed out that the KMP had taken STI as deferred equity in 2020, but this did not meet the standard set by other companies where KMP have had lower or no STI due to the pandemic.

Because of concerns about the independence of the Board the ASA voted against the election of two directors from NEC. Our suggestion that one of them should step down to be replaced by a new independent director was rejected out of hand. Both were elected, but there was a 5.7% vote against Hugh Marks and 3.5% vote against Lizzie Young.

The presentations by the Chair and CEO, and full voting outcomes are available at <https://shareholders.domain.com.au/group/?page=asx-announcements>

On Saturday 14th November Hugh Marks announced his resignation from his position as CEO of Nine Entertainment. It is likely that he will also be leaving the Domain Board where he is a non-independent director.