



Company	Mystate
Code	MYS
Meeting	AGM
Date	21 October 2020
Venue	Virtual using Lumi system
Monitor	John Whittington and Ian Day

Number attendees at meeting	Unknown
Number of holdings represented by ASA	46
Value of proxies	\$4.112m
Number of shares represented by ASA	1.071m (equivalent to 8th largest holder)
Market capitalisation	\$345m
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Brief phone conversation with Chair Miles Hampton

A Good Example of Why the Government Shouldn't Make Virtual AGMs Permanent

Where do we start? This meeting was a demonstration of how virtual meetings disenfranchise shareholders and prevent valid questioning of the board. Which is odd as many other things Mystate do (eg solid performance, strong Tier 1 capital, good remuneration structure, generally excellent director shareholdings) seem to be shareholder aligned.

Normally a Mystate AGM has about 30 minutes of shareholder questions from the floor over a wide range of subject. This year the only questions were those posed by the ASA and most were asked in the wrong part of the meeting, heavily paraphrased and not attributed. And, other than the response to a softball question on risk management, all of the other questions were brushed off.

Indeed, since one of the directors who was standing for election, Ms Andrea Waters, hadn't addressed the meeting, we asked a fairly simple question of her. After all, shareholders should be able to get some idea for themselves of the capabilities of their directors at each time they are elected. However, we were told that there was no audio link to her so she could not answer the question in the meeting. Given that many companies smaller than Mystate have had AGMs with

seamless video and audio links to their other directors located interstate and overseas, this seemed disrespectful of shareholders.

The questions we asked were the softball one on risk management mentioned above which was answered fairly well. The questions brushed off were about their lack of an ESG or Sustainability report, asking for a new Chair to be appointed in about a year when the current one reaches 12 years on the board and is no longer considered independent, what Ms Waters' accomplishments during her three years on the board had been, and asking for a table of actual remuneration and better disclosure of STI hurdles and weightings in the remuneration report.

Any Government moves that perpetuates AGMs like this is just likely to lead to unaccountable management and boards. Which is what caused lots of problems back in the late 1980s – so back to the future!

All but one motion were passed with 98+% in favour, the remaining item – approval of the CEO's LTI award – was passed with a 13% protest vote.