

## Super Retail Group 2022 AGM report

ASX code	SUL
Meeting date	Thursday, 27 October 2022
Type of meeting	Physical (with view only webcast)
Monitor	Paul Donohue & Peter McNally
Pre AGM-meeting	With Chairs of Board, Rem Committee and Audit Committee, Sally Pitkin, Peter Everingham and Howard Mowlem. Also, Robert Wruck, Head of Investor Relations

### Meeting Statistics

Number of holdings represented by ASA	55
Number of shares represented by ASA	162,064
Value of shares represented by ASA	\$1.62m
Total number attending meeting	50
Market capitalisation	\$2.2b
ASA open proxies voted	On a poll. ASA voted in favour of all the resolutions.

The meeting was held in PWC's Brisbane office with a glorious view over the Brisbane River. As expected, Dr Pitkin ran the meeting with her usual aplomb. Having served on the board for 12 years, Sally won't be seeking re-election when her term expires in 2024.

Anthony Heraghty (CEO) gave an overview of the financial year showcased positive trends in store numbers, sales, customer satisfaction & sustainability. Less positive was the financial overview with NPAT, EPS and the full year dividend all down about 20%. He followed up with a fascinating deep dive into each of the brands.

A strong trading update showed year to date sales up 20% across the group. Interesting to see the brand split with Auto & Rebel up around 20%, BCF only up 4% and Macpac smashing it at 76%. Perhaps BCF customers spent the pandemic loading up on fishing rods and sleeping bags and there is no more room in the garage? The rainy weather was put forward as the reason for Macpac's stellar performance.

We opened questions by asking why the AGM had a view only webcast that did not allow remote participation. It comes down to cost apparently, but many smaller companies think its an expense worth paying.

Their response to our question on cybersecurity was somewhat lacking. While its true that they might not store drivers' licences, passports or credit card details, a database with 9m customers is always going to be a target for hackers.

We questioned the CEO remuneration bias to cash and were assured that the current 65% cash will drop to 55% next financial year. We suggested that when Dr Pitkin steps down, the board might consider giving her replacement a pay cut as the current chair fee of \$360k is high compared to similar retail companies. We might have to agree to disagree on that one.

We were very interested to hear Ms Judith Swales explain how she can be CEO of Global Markets at Fonterra and still have time to be a Super Retail Group NED. She told us her executive role is mostly strategy & coaching with the day to day operation delegated to her direct reports. After a tally of pros & cons we opted to vote for her re-election but will watch for signs of conflicting loyalties.

All resolutions were passed with comfortable margins.

After the meeting we had a good chat with the CEO who explained their defence against Amazon which is basically not to fight them head on but rather flank them by focusing on strengths such as the physical shopping experience and SUL's exclusive rights to brands such as Nike.

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