

Reece Limited 2024 AGM Report

ASX code	REH
Meeting date	Thursday, 24 October 2024
Type of meeting	Virtual
Monitor	Peter Aird
Pre AGM-meeting	No

Meeting Statistics

Number of holdings represented by ASA	28
Number of shares represented by ASA	419,261
Value of shares represented by ASA	\$10.3m
Total number attending meeting	113 attending, 22 shareholders, 91 visitors
Market capitalisation	\$17.2billion
ASA open proxies voted	ASA voted in favour of the resolutions electing the Directors, approving the US employee share plan and the Remuneration report and against the two resolutions for Grant of Rights.

This virtual meeting was well run and quite short (45 mins). All Directors were in attendance at various locations. Following a short presentation by the retiring Chair (Mr Poole), a more extensive and generally positive presentation was provided by the CEO and incoming Chair (Peter Wilson), including the news of lower sales in Q1 FY25 (which had been released to the ASX and resulted in an immediate share price drop of about 8%).

The three Directors seeking election all spoke. It is noted that Mr Ross McEwan's election is quite a significant achievement for Reece, given his business pedigree (retired CEO of NAB), and he spoke enthusiastically about joining a company such as Reece.

The Chair also spoke to the other Resolutions, before opening the meeting to questions.

ASA sent 5 questions:

- Re the format of the AGM restricting shareholder interaction with Directors, question handed to the Co Sec who said they had heard this before and would give it some consideration (again).
- Re the Performance measures for the LTI, specifically the low threshold of 1.5% for the EPS CAGR, reply long term growth strong but short term weak/soft so reasonable measures over 3 years. They have robust processes for setting LTI targets.

- Mr McEwan on how he sees his role as Lead Independent Director. He had covered this to an extent in his presentation but stated again that he was there to represent minority shareholders and took the task seriously. Whilst he had a good relationship with the chair, he was quite prepared to debate issues to come to best outcome.
- As US Executive receive both their STI and LTI awards in cash, should they be required to build shareholdings in the company? The Chair stated that both measures were subject to performance measures and KMP's were required to hold shares.
- Share purchase plan for Australian employees. There is now a plan in place but with no discount available.

There being no other written or telephone questions, the meeting was closed with a short video on the Reece Foundation's project to assist Indigenous communities with water supply issues.

There was a strong negative vote against Mr Peter Wilson's Grant of rights (33%), which followed through to a first strike on their Remuneration report (34% against).

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