

APA Group 2024 AGM Report

ASX code	APA
Meeting date	Thursday, 24 October 2024
Type of meeting	Hybrid
Monitor	Lewis Gomes and Sue Howes
Pre AGM-meeting	With Chairman and others

Meeting Statistics

Number of holdings represented by ASA	304
Number of shares represented by ASA	2.82 million
Value of shares represented by ASA	\$20.2 million
Total number attending meeting	158 in-person, 44 visitors in-person, 285 on-line, 135 voting shareholders
Market capitalisation	\$9.3 billion
ASA open proxies voted	ASA voted in favour of Resolutions 1 to 6 and against Resolutions 7A to 7C. Resolution 8 did not need to be voted upon.

The chairman opened the meeting with his address, firstly acknowledging the weak security price and seeking to explain it in terms of higher interest rates, reduced distribution growth as the company seeks to invest in more energy assets and regulatory issues such as the review of the South West Queensland Pipeline (which the Regulator has since decided will not to proceed). He also spoke to board renewal with Samatha Lewis and David Lamont joining the board and Peter Wasow and Debbie Goodin retiring. He noted that the addressable gas market for APA is around \$90 billion suggesting that plenty of future growth is on offer. The CEO spoke to APA's financial performance, the successful integration of the recently purchased Pilbara and Bass Straight assets and confirmed forward guidance for FY25 of EBITDA (\$1.96 billion to \$2.06 billion) and distribution (57 cps).

Several speakers questioned the chairman on the poor security price performance and the reasons behind the recent sell-down by UniSuper of its former 10% holding to under 5%. The chairman sought to defend the recent asset purchases as being "value accretive" and offered no explanation of the UniSuper sell-down other than he thought it was rebalancing one of its defined benefits funds.

Resolution 1, being the Remuneration Report, was easily passed with over 94% of cast votes with only one dissenting speaker questioning why the executives were being paid bonuses when the security price was performing so poorly. Resolutions 2 to 5 were for director elections and re-elections and all were strongly supported with around 95% of cast votes except for Mr Lamont

who only received 84.7% of cast votes compared with 99.8% for Ms Lewis. Resolution 6, being the security awards for the CEO, was strongly endorsed with over 98% of cast votes.

Resolutions 7A to 7C were put forward by representatives of Market Forces and were essentially directed against the Beetaloo gas projects in the NT which are being pursued by Tamboran Resources and Empire Resources. The chairman stressed that APA is not a participant in the projects but rather has secured a role in developing the pipeline assets that would be needed to get the gas to markets in Australia should the projects proceed. He also stressed the need to develop more local gas supply for Australian industries.

Numerous speakers from Market Forces spoke to their resolutions but simply reiterated their ideological dispositions against gas without offering any alternatives to the need for more gas both locally and world-wide. ASA spoke against these resolutions essentially backing up the chairman's statements on the need for more local gas supplies and quoting from various recent reports from government and regulatory bodies referring to impending gas shortages in the southeastern states of the country. The resolutions failed comprehensively with against votes cast being greater than 93%. Given that the remuneration report was strongly endorsed, the contingent spill motion under Resolution 8 was not addressed.

The meeting was conducted in a generally orderly manner but the number of speakers to Resolution 7 and the repetitive nature of their statements (not questions) dragged the meeting on for some time. It finally concluded about 1.00pm having commenced at 10.30am.

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