



26th July 2024

Meetings & Documents Review
C/- Better Business Communications Unit
Market Conduct and Digital Division
The Treasury
Langton Crescent
Parkes ACT 2600

By Email; meetingsanddocuemntsreview@treasury.gov.au

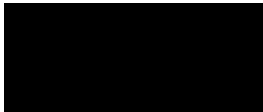
Salutation,

Broadridge welcomes the opportunity to provide input into the consultation process for meetings and documents review to The Treasury with permission granted for an extension to this response.

Broadridge Ltd is a market leading Fintech company that provides critical infrastructure that powers corporate governance, capital markets and wealth and investment management. As a global leader in corporate governance and investor communications, Broadridge is committed to providing secure, efficient, and compliant services that underpin the effective functioning of the financial markets.

While we were unable to attend the panel discussion we would be happy to arrange a meeting to further discuss the submission. We look forward to continuing our collaboration with The Treasury to uphold the highest standards and drive innovation for the benefit of all market participants.

Sincerely,



Danielle Gerace
Senior Country Officer, Australia



Consultation questions on meetings

1. **How has the experience of running company or registered scheme members' meetings changed since the amendments?** Not applicable to Broadridge as we are not a provider of meeting services in the Australian market and are therefore unable to comment.
 - **What have been the effects of the amendments on the costs of holding AGMs or other meetings?** Not applicable.
2. **How have the amendments affected members' participation in meetings and has this affected the exercise of shareholder rights or corporate governance?** We have seen a general increase in shareholder participation in Australia, but this has followed a global trend and cannot be attributable to changes in Australian general meeting practices. Due to regulatory changes in Europe through SRDII, increased shareholder democratization is increasing through providing institutional and retail investors the opportunity to vote.
3. **If improvements are needed to better facilitate members' participation and corporate governance, what improvements could be made to the conduct of online or hybrid meetings?** Not applicable to Broadridge as we are not a provider of meeting services in the Australian market and are therefore unable to comment. However, from a best practice perspective, providing international and domestic investors a digital solution to virtual and hybrid meetings. This should include removing the need to provide physical documentation to facilitate digital voting and access to meetings.
4. **Is the use of wholly online meetings an objective of companies and registered schemes? Why or why not? If it is the objective, what is impeding the greater use of wholly online meetings by companies and registered schemes?** Not applicable to Broadridge as we are not a provider of meeting services in the Australian market and are therefore unable to comment. However, based upon our market knowledge, we have seen a global preference for hybrid meetings, because some investors still want to attend in person. Hybrid meetings significantly expand the scope of shareholder participation and democratization.
5. **Have you experienced technological issues when running or attending a meeting with an online component? If yes, what were they, were they addressed, and how did this occur?** Issues with virtual meetings have so far been limited due to relatively low volumes of shareholder traffic. We have seen one instance to date where the virtual meeting provider's infrastructure failed due to high interest of retail shareholder participation. This instance was the 2024 GameStop meeting in the USA ([GameStop Announces Updated Time and Date for Annual Meeting of Stockholders | Gamestop Corp.](#)).
6. **Have you observed any significant differences in governance, shareholder participation, meeting conduct or quality between companies that have listed after the 2022 amendments and those that listed prior to the amendments?** Broadridge generally do not capture listing dates of companies, we facilitate investor communications for all companies listed on the ASX.
7. **How have the mandatory poll voting requirements affected the conduct of meetings and determining the opinion of members?** Not applicable to Broadridge as our process has not changed. We submit



votes to Australian market participants (intermediaries and transfer agents/registrars) who facilitate further vote execution.

- 8. Have there been any issues with submitting or complying with requests for independent reports on polls?** Not applicable to Broadridge
- 9. Are there lessons that Australia could take from other jurisdictions' experiences with online or hybrid members' meetings?**

Regulatory Support: Legislative amendments are crucial in enabling the shift towards virtual and hybrid meetings. Australia's regulatory framework would need to support such formats to encourage broader adoption. Not only should the company law support virtual and hybrid meetings without the need to change issuers' articles of association, but also barriers should be removed within the Australian ecosystem (i.e., paper documentation, additional requirements for shareholder participation).

Engagement and Accessibility: Hybrid and virtual meetings have been shown to reduce cost for organising the events, increase shareholder accessibility and engagement, and meets with issuers' ESG obligations. Ensuring that the digital platforms used for these meetings are user-friendly and accessible can greatly enhance shareholder participation.

Technological Infrastructure: Investing in robust technological infrastructure is important for the success of virtual meetings. Consistency across various devices and seamless user experience are essential.

By considering these lessons, Australia can develop a more effective approach to online and hybrid members' meetings, increasing shareholder engagement and participation.

Other jurisdictions have embraced virtual and hybrid meetings. In Norway, for example, 85% of meetings now have a virtual component. We have seen similar adoption across the United States, where individual state legislation allows for fully virtual or hybrid meetings. Broadridge had the honour of being invited by the chair of the OECD to present as part of a panel of industry experts during a roundtable event. The event focused on corporate governance and effectiveness of shareholder meetings, it was concluded that hybrid meetings were the most inclusive solution to increase shareholder engagement and democratization.

- 10. How have the amendments affected the effective operation of directors' meetings?** Not applicable to Broadridge as we do not provide services that facilitate directors' meetings in Australia.

Consultation questions on the treatment of documents

- 11. What, if any, issues have been experienced with the giving and sending or receipt of electronic meeting-related documents? How could these be addressed?**

Broadridge has seen a lack of adoption of electronic meeting related documents or electronic messages by the large registrars. Registrars still mandate Broadridge to communicate voting instructions by proprietary portals at registered client level which does not correlate with international cross-border investment and the use of standardized industry messaging such as SWIFT ISO20022. This potentially



impacts the commercial attractiveness and cost of Australia for institutional cross-border investment, areas that the European regulators have addressed with the Shareholder Rights Directive (SRDII) and the Capital Markets Union (CMU).

12. What, if any, issues have there been with the process for making elections or with entities following the elections of members regarding meeting-related documents? If yes, how could this be improved?

As highlighted in the previous question, lack of adoption of industry standard messaging for cross-border investment been the biggest issue. We welcome the market to promote and adopt of the latest messaging standards for voting (ISO20022) to ensure instructions can flow through the intermediary chain unimpeded. Centralization of distribution and tabulation via market infrastructures such as the CSD will be the optimum solution as seen in other markets.

13. What, if any, issues have been experienced with the electronic signing of documents? If yes, how could these be improved? No issues have been experienced specific to the electronic signing of documents. However, we welcome the Australian market to improve the process by removing the need to vote via proprietary channels and physical proxy cards. This is where Broadridge has experienced issues of getting valid instructions accepted by the registrars. Removal of the requirements for additional documentation would be considered the largest improvement.