

PURPLE ALERT

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Do you have an upcoming AGM and need to consider alternative arrangements?

As a responsible corporate citizen, it's always best to have contingency measures if you are not able to host your upcoming AGM in its traditional way.

If you have an upcoming AGM, here are a few options to consider:

- › Adapt the basis on which you hold the AGM
- › Delay convening the AGM, if notice has not yet been issued
- › Postpone the AGM, if permitted under your Memorandum of Incorporation (MOI)
- › Adjourn the AGM
- › Conduct a hybrid AGM, if permitted under the MOI

Regardless of whether you delay, postpone or adjourn, there are several factors that need to be considered.

Your initial actions need to determine whether MOI is detailed enough to provide a clear picture of available options and procedures. You would also need to engage your Issuer Agent and other advisors as soon as possible to understand their capabilities and/or recommendations and determine whether your venue is in the position to support the event in light of any new restrictions or precautionary measures. If your company is incorporated outside of South Africa or have a dual listing, you will also need to be mindful of the requirements of those territories and by the relevant authorities.

Should a meeting be convened, careful deliberation on a contingency venue, whether normal services will be available (such as catering or video link ups), hosting hybrid meetings with a live video or audio-stream and full remote-meeting access with authenticated participation and electronic voting. You may want to encourage electronic proxy voting in advance, or offer contingencies for participants and provide a website where they can access the latest information.

Virtual and Hybrid AGMs

Across the globe, we are already witnessing many governing bodies putting plans in place to curtail the spread of the virus. The Singapore, Shenzhen and Shanghai Stock Exchanges are offering extended reporting periods for companies and have encouraged them to hold virtual or hybrid meetings where possible. This trend is also gaining momentum in the U.S., with disclosure deadlines being extended for companies impacted by the virus and an uptake in of virtual and hybrid meetings. In Australia, companies across the ASX300 are implementing business continuity plans, and large-scale events have been rescheduled across the globe.

We understand that regulators are working through the implications and the most suitable measures, particularly in the wake of the Covid-19 outbreak.

Due to legislative uncertainty, companies who have sought to host virtual AGMs have rather opted to run a hybrid meeting for its shareholders. As a global company that has facilitated such events across the world and in South Africa, Computershare understands the numerous benefits that this brings to organisations. Meetings technology has the potential to address the problem of declining investor engagement. Online meetings can assist companies to increase the percentage of voting investors by providing online solutions that enable investors to ask questions and vote regardless of their geographical location.

An online meetings solution such as a hybrid AGM, has the potential to increase engagement and attendance and provide the necessary contingency arrangements that companies need when they have no choice but to consider alternative arrangements.

While it is always recommended that you check with your legal advisers, strictly speaking if the meeting has sufficient qualifying persons (shareholder, proxy or corporate rep) to meet the requirements of quorum then a meeting can proceed and be considered valid. Technology can provide a level of participation, but that participation is determined by your MOI. We'd recommend you consult your legal advisers to look at these, as they will be unique to your Memorandum of Incorporation and business approach.

For us as your Issuer Agent, we are operating as usual with additional sensible precautions to provide our services to you. If your meeting is going ahead, we will be providing whatever support is necessary to ensure it can take place with the necessary contingencies.

We have also included some online resources that we thought were worth sharing. You can click on the names to access these online:

[A pause in corporate governance? The impact of the Coronavirus on gatherings and shareholders' meetings ~ article by ENS Africa](#)

[AGMs and impact of Covid-19 ~ Guidance note by ICSA – a UK-based chartered governance institution](#)

If your company has already issued its AGM notice for a physical-only meeting, yet your MOI allows for a hybrid AGM, you will be able to change it to a hybrid AGM. An announcement should be made to reflect this decision and shareholders should be made aware that they can fully participate in the AGM electronically, including its electronic voting process.

For any questions, you're welcome to reach out to your relationship manager.

Contact us by [clicking here](#) to send us an email.

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