



17 April 2020

Address

Dear

I am writing on behalf of ShareAction, and with the support of many others, to ask you to take whatever steps you can to protect shareholder engagement during AGM season, in the context of the Covid-19 pandemic.

The current circumstances mean that business-as-usual AGMs are not possible; protecting the health of employees, directors and shareholders must be the top priority. Nevertheless, by making use of tried and tested technology, there are many things that companies can do to preserve and deepen shareholder dialogue in AGM season, despite the constraints upon us all.

However, as we head into the 2020 AGM season, we are concerned that many UK listed firms have instead chosen to hold their AGMs behind closed doors, severely limiting the opportunities for shareholders to engage with them at a moment when many have valid and important questions to ask of their directors.

This is not a moment to hide away. The Covid-19 crisis has seen the value of pension assets and shareholdings fall sharply. Management teams are making vitally important decisions that will affect the long-term success of companies, as well as the lives of their workers and customers.

AGMs held behind closed doors, with a minimum of participants to satisfy quorum, not only exclude shareholders they also exclude most of a company's directors. Unfortunately, this is likely to see women disproportionately side-lined from the process since a very limited number of FTSE Chairs and CEOs are female.

To address the above concerns, we call on you to:

- Hold a virtual AGM this year
- Allow for real-time questioning, followed by voting, at your virtual AGM, maintaining the usual level of shareholder dialogue
- Continue to ensure that all types of shareholders can access the meeting, whether they hold shares directly or through a nominee account

In the long-term, we ask you to ensure that physical meetings continue when they are safe again, but strongly encourage you to move to a hybrid AGM format that has an in-person and online element simultaneously, since this will facilitate the greatest access to shareholders and enable even wider inclusion in AGM proceedings.

We understand that further guidance and legislation will be forthcoming from Government, to give companies the confidence they need to hold virtual AGMs.

In the meantime, if your position is that you are not permitted to hold your AGM virtually, then we would urge you to hold an online event, immediately prior to your AGM, which allows shareholders to engage with you and your board in much the same way they have

been able to historically, for example enabling real-time questions and answers with the full board.

For many firms, it's not too late to review the format selected for this year's AGM. Where this is possible, we strongly encourage it to happen.

If you have any questions or want to be in touch on this, I can be reached at simon.rawson@shareaction.org.

Yours sincerely,
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