

## Webjet 2023 AGM report

ASX code	WEB
Meeting date	31 August 2023
Type of meeting	Hybrid
Monitor	Henry Stephens
Pre AGM-meeting	With Roger Sharp (Chair) and Brad Holman (lead independent director)

### Meeting Statistics

Number of holdings represented by ASA	25
Number of shares represented by ASA	142,245
Value of shares represented by ASA	\$1 million approximately
Total number attending meeting	35 attendees in the room
Market capitalisation	\$2.7 billion
ASA open proxies voted	ASA voted in favour of all the resolutions

The AGM was a subdued affair with very few questions being asked and in fact the ASA monitor asked most of the questions! The main points to emerge from the meeting are summarized below:

- The dividend will not be re-instituted in the short term despite \$514 million in the bank. The Board wants to see what happens with the \$250 million convertible note that matures in 2024. If it is converted into equity then this will clearly be a factor in determining the size of any future dividend payment and the Board will have to take this into account in setting a new dividend policy.
- All the motions passed although Resolutions 1 and 7 received a relatively large no vote.
- 16.7% of votes cast voted against the Remuneration Report (Resolution 1). The ASA asked why this was so and the response was that ISS voted against the Report because they were not happy with the past options pricing and they had an issue with the STI disclosure in the past. The ASA has voted against previous Remuneration Reports largely because of these reasons. However, we note the 2023 Remuneration Report has changed for the positive – the use of options has been replaced with performance rights, the hurdles (TSR and EBIT return over three years) are demanding and in alignment with shareholder interests, the CEO's fixed remuneration has not changed and more than 50% of total remuneration is at risk. As a result of these changes the ASA supported the motion.
- 16.8% of votes cast voted against Resolution 7 - the Grant of Rights to the Managing Director. ISS voted against this motion for the reasons mentioned above. The ASA voted in favour of the motion because the new LTI proposal is much better than the previous scheme which we have voted against (see discussion above) in previous years.

- The ASA is very concerned about cyber-crime and asked the following question: There have been some very high-profile data breaches in recent times with Medicare and Optus both the target of hackers. As part of doing business Webjet collects important customer information such as names and addresses, bank account details, date of birth and passport numbers. Can you tell us how long this data is held onto by the company? If the data is not deleted within say three months, why does the company hold onto this information? Answer: Passport numbers are encrypted and are held for 12 months for travel to take place. Only names, emails and addressers are held by the company and the company is making a huge effort to scrub any unnecessary data. They have had a cyber security expert review their security systems and they been judged a top performer.
- The ASA made two suggestions to improve the Annual Report. The skills matrix of directors on the board does not have any names attached to each skill! We asked the Board to provide a director's name for each specific skill instead of identifying a skill and recording how many directors have that skill. This would be very helpful when board members come up for re-election. The Chairman said he would take this on notice. Second, we asked that the annual report clearly indicate how many years the audit firm has been auditing the company for. Shareholders should know the tenure of the audit firm, especially if there has been no change in the audit firm for many years. This is especially relevant in the light of the PWC debacle. The Chairman said yes to this proposal!

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