

Treasury Wine Estates 2024 AGM Report

ASX code	TWE
Meeting date	Thursday, 17 October 2024
Type of meeting	Hybrid
Monitor	Katja Bizilj
Pre AGM-meeting	Yes, with Chair, John Mullen, and Senior Manager Investor Relations, Melinda George

Meeting Statistics

Number of holdings represented by ASA	270
Number of shares represented by ASA	577,675
Value of shares represented by ASA	\$6.86 million
Total number attending meeting	98 in person and 80 online
Market capitalisation	\$9.64 billion
ASA open proxies voted	ASA voted in favour of all resolutions except resolution 2e (Re-election of Mr John Mullen as a Director and Chair). Resolution 5 (Conditional Board Spill meeting) was not voted on.

The Chair, Mr John Mullen, emphasised TWE's continuing positive results of FY24 demonstrated success of their focus on a luxury portfolio, diversification of global sourcing and accelerated multi-country of origin strategies. He said the acquisition of DAOU Vineyards in late 2023 contributes towards TWE vision of being the world's most desirable luxury wine company.

TWE's maintenance of a strong brand presence and commitment in China during trade sanctions enabled a quick re-entry to the Chinese market once trade impediments on Australian wine in China were removed in March 2024.

One third of TWE's directors spoke to their re-election. As a new director, Ms Leslie Frank noted she has long and deep experience in the wine industry. Along with strong media, communications and public relations experience, Ms Frank emphasised her ability to build relationships and leverage off her wide connections as assets she brings to the company.

Mr Gary Hounsell underscored his long tenure and positions in TWE since 2012 emphasising his company corporate knowledge alongside a wide and deep experience in the wine industry.

Ms Antonia Korsanos listed her extensive experience in financial, governance and supply chain areas in both Australia and the US throughout a career spanning in excess of 30 years.

Mr Ed Chan stepped down as director following conclusion of the AGM.

ASA questioned the Chair's workload, asking if he would commit to a reduction in the near future. Mr Mullen said (in relation to director's and his own workload) "..... he was more interested in (their) performance rather than focussing on the number of directorships / roles they may have.....".

Regarding his workload he said "...he couldn't walk out on his responsibilities ... (also) the other directors review his performance and ensure performance standards are maintained (else and necessary action may be taken) ...". He advised "...by the time we meet next year the issue (of his workload) will be resolved..."

ASA questioned Mr Hounsell's workload. He said he was not overloaded ("...had lots of spare time...") but volunteered he would step down from his Commonwealth Superannuation Corporation Ltd chair position by end of 2024 and not accept further appointments.

Other investors questioned whether TWE received sufficient value for the write down of assets and divestiture of some of its commercial portfolio, information of DAOU Vineyard's contribution to overall profit and if it was a good investment and how TWE ensures there is no exploitation of the company's itinerant workers. The Chair's responses to questions were short and sharp.

Regarding China, an investor questioned what percentage of TWE's China market able to be filled by other states during the Chinese trade impediments to Australian wine (and by which states). The Chair did not directly answer these questions only noting TWE had diversified in Asia and globally so was able to shift focus to these areas during the period.

A second question related to TWE's management of capitol and sovereign risk in China. Both the Chair and CEO responded saying TWE has (and makes) small and strategic investments which are constantly reviewed as part of their risk management plan. They noted China's (apparent) positive recognition of TWE's commitment to the Chinese market (due to TWE's maintenance of a strong personnel and brand presence in China during trade sanctions) may somewhat ameliorate this risk.

TWE's speedy clarification and revision of the ROCE and EPS vesting schedules detailed in their FY24 Annual report (made via ASX announcement dated 1 October 2024) following some investor and proxy advisor concerns with these aspects of TWE's FY24 Remuneration report, appeared to assuage earlier concerns about same. The Remuneration Report received over 98% support.

After the meeting ASA questioned Mr Mullen regarding succession planning for Mr Garry Hounsell. The Chair said Mr Hounsell possessed critical corporate knowledge as well as being one of only several directors with a deep knowledge of the wine industry. Notwithstanding, he intimated Mr Hounsell may be next in line regarding director turn-over and that ".....changes would occur in next year or so "... probably by end of next year...". Mr Mullen also conceded he had a heavy workload but said it was manageable. He advised he was in the process of developing transition and succession plans and that these would be announced in due course.

All resolutions, bar for re-election of Mr Hounsell and Mr Mullen as director, received over 98% shareholder support. Re-election of Mr Hounsell and Mr Mullen received 93% and 84 % shareholder support respectively.

Given investors supported TWE's FY24 Remuneration Report, the conditional spill resolution was not required to be put to the meeting.

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