

Just Share 

AGM Guide

Best practices for South African
annual general meetings

November **2024**



About Just Share

Just Share is a non-profit shareholder advocacy and activism organisation. We exercise the rights and powers of shareholders to drive urgent action to combat climate change and reduce inequality.

Just Share is the only non-profit organisation in South Africa using responsible investment and sustainable finance as mechanisms for the advancement of social and environmental justice.

We focus on JSE-listed companies, their shareholders, and the regulators that govern them.

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Introduction

Just Share is a non-profit shareholder activism organisation, using the rights and powers of shareholders, evidence-based research, and strategic advocacy and activism to catalyse action by South African listed companies and investors which accelerates a just transition to a low-carbon, sustainable and inclusive economy.

This guide is an update to Just Share's 2020 guide: [*Best Practices for South African virtual annual general meetings*](#).

Good AGM governance

Just Share has attended over 94 annual general meetings (AGMs) and asked over 320 questions relating to climate change, corporate governance, inequality and transformation.¹ This extensive experience of attending AGMs before, during and after the Covid-19 pandemic has yielded valuable insights for companies, shareholders, and other stakeholders.

Drawing on this expertise and with reference to South Africa's regulatory framework for conducting AGMs, Just Share has developed this best practice guide to help listed companies plan and execute effective, compliant hybrid AGMs.²

AGMs represent more than a statutory obligation: they are valuable opportunities for companies to showcase key achievements, address challenges transparently, and proactively engage with shareholder concerns. Key considerations for AGM planning and execution should include:

- The adoption of a stakeholder-inclusive approach to AGMs that complies with the requirements of the Companies Act No. 71 of 2008, as amended (Companies Act) and aligns with the recommendations of the King Report on Corporate Governance (King IV).³
- Hosting hybrid AGMs to provide the broadest opportunity for participation.
- A commitment to understanding and enhancing shareholders' experience of virtual participation while ensuring that the online format does not inhibit meaningful shareholder engagement or diminish board accountability.

This Guide provides detailed recommendations for planning and conducting an effective, legally compliant AGM.

A new era of shareholder activism

In recent years South Africa has witnessed increased shareholder activism, mirroring global trends. Investors across the spectrum - from major institutions to minority shareholders - are assertively exercising their rights to demand greater corporate accountability.

High-profile examples include AGM demonstrations at major banks and fossil fuel companies, where activists challenge corporate responses to climate change. While these protests occasionally combine external and internal AGM action, they remain rare and peaceful. Companies should recognise such events as legitimate stakeholder engagement in an era of climate crisis and mounting inequality.

Unfortunately, some companies are using these limited instances of AGM protest to justify retreating to electronic-only meetings. This represents a concerning shift from meaningful stakeholder engagement to using technology as a shield against legitimate criticism.

1 Between November 2018 and October 2024.

2 The regulatory provisions governing AGMs in South Africa can be found in the Appendix to this guide.

3 King IV, Principle 16, p. 71-72.



01

Planning the AGM

Notification to shareholders

Shareholders should be notified of the AGM format at the earliest opportunity, and by no later than the release of the Notice of AGM. The Notice of AGM should contain clear instructions for registration, including the steps shareholders must follow to attend the meeting, to ask questions at the meeting and to vote on resolutions.

A step-by-step technical guide to electronic participation should be circulated with the Notice of AGM and must include contact details for technical assistance.



Meeting rehearsal

The company secretary should ensure that a rehearsal is arranged to allow the board and senior executives to become comfortable with the requirements for successful electronic participation. The rehearsal should test all cameras, camera angles and sound quality to ensure that all company participants are visible and audible to those joining online.

The company secretary should test the platform from the perspective of a shareholder participant to provide insights on the user experience for shareholders, and to ensure that shareholder frustrations are minimised.



Video functionality for shareholders

The company should consider allowing shareholders to ask questions via a live video feed so that they are visible to all participants. Video functionality should be enabled where the company is anticipating a well-attended AGM with shareholders likely to ask questions.

The Companies and Intellectual Property Commission's Guideline 1 of 2024 (CIPC Guideline 1 of 2024) indicates that companies conducting electronic AGMs should allow for "a combination of written, verbal, telephonic and video questions to ensure reasonably effective participation in the AGM".⁴

Hybrid vs electronic-only AGMs

Pre-Covid-19 pandemic AGMs were predominantly in-person events. While electronic AGMs have increased accessibility, they risk undermining shareholder rights.

It is evident from the many AGMs that Just Share has attended that the risk of technological problems is high - from audio issues to transmission delays to complete Q&A breakdowns. To ensure that the AGM is legally compliant, companies must conduct thorough testing, including rehearsals with the board and management teams.

The pace of the AGM also plays a crucial role in mitigating technological risk: rushed meetings increase the chance that glitches will not become apparent until the AGM is over, when it is too late to rectify them.

Even with flawless technology, electronic AGMs often fall short of legal compliance, particularly in relation to the requirement that they must facilitate effective concurrent communication without an intermediary.

Many companies are currently exploiting the electronic format to limit shareholder engagement in ways that would be impossible during in-person meetings, while shareholders struggle with the inherent awkwardness of virtual participation.

Hybrid AGMs - offering both in-person and electronic participation - demonstrate a company's commitment to robust shareholder dialogue and corporate accountability. The recent trend of companies abandoning hybrid formats for electronic-only meetings raises red flags about their willingness to engage meaningfully with shareholders.

4 <https://www.cipc.co.za/wp-content/uploads/2024/10/Guideline-1-of-2024-Electronic-AGMs-31-10-2024.pdf>



Guest access

The company should consider enabling open guest access for stakeholders other than shareholders, including the media. A transparent approach to stakeholder engagement is encouraged by King IV.

If guest access is enabled this should be clearly stated in the Notice of AGM, which should also include the process and steps that need to be followed to register as a guest.

Participant transparency

At in-person AGMs participants are all visible to each other. Even though most electronic AGM service providers offer the functionality of allowing all participants to see who else is in attendance online, this option is seldom enabled. As a result, shareholder participants feel isolated and disconnected from the meeting.

Enabling participant visibility is indicative of a stakeholder-centric approach to engagement and ensures compliance with section 63(2)(b) of the Companies Act, which provides that the electronic communication employed at an online AGM “must enable all persons participating in that meeting to **simultaneously communicate with each other** and participate effectively in the meeting” (emphasis added).

CIPC Guideline 1 of 2024 indicates that companies conducting electronic AGMs should allow for “shareholders to be able to see and know who else is attending the AGM online and to be able to interact with each other without an intermediary”.





02

Conducting the AGM

Before the start of the AGM

Electronic access should be opened 30 minutes before the start of the AGM. This provides online attendees with enough time to identify and iron out any technical issues in accessing the meeting. The online login page should include contact details for technical support.



The start of the AGM

At the opening of the AGM, the Chair of the board (Chair) should provide two minutes for those accessing the AGM electronically to join, before proceeding with the business of the AGM. The AGM agenda should be displayed on the screen during this period.

Live video feed

The company should ensure that shareholders attending online can see all board members and executives via a live video feed. The Chair should announce which directors and executives are in attendance and identify the chairpersons of all board subcommittees. Each of these chairpersons must be linked to the audio feed and be ready to answer questions relevant to their mandate.

CIPC Guideline 1 of 2024 indicates that companies holding electronic AGMs should allow for “all participating board and executive members to be visible in real time for the entire AGM, regardless of who is speaking”.



Agenda

The Chair should take attendees through the agenda to provide clarity on the order of events. A clear agenda makes a significant difference to attendees’ experience of the AGM. CIPC Guideline 1 of 2024 provides that a company holding an electronic AGM should allow for “an agenda to be provided at the start of the AGM, thus allowing shareholders to know when they will be called upon to ask questions”.

Shareholders who wish to ask questions can plan accordingly and ensure that they are ready to do so at the right time. This reduces confusion and anxiety about missing the opportunity to ask a question, and contributes to a more efficient and useful Q&A session.

The agenda should be accessible to online participants for the duration of the AGM.

Opening presentations

If the Chair moves immediately after opening the AGM to voting or to the Q&A session, the company risks compromising the rights of shareholders participating online, because it is common for online attendees to join a meeting a few minutes after it starts due to technical delays.

Section 61(8) of the Companies Act provides that the AGM must include the presentation of the directors’ report, the audited financial statements, and an audit committee report.⁵ Regulation 43(5)(c) of the Companies Regulations 2011 requires the social and ethics committee “to report, through one of its members, to the shareholders at the company’s annual general meeting on the matters within its mandate”.

However, many companies do not address these matters during the AGM, appearing to consider it sufficient that reports have been provided in the integrated reporting suite.

At the very least, the Chair should provide a brief address reflecting on the reporting year, including goals achieved, challenges encountered and thoughts for the year ahead. In addition to giving those attending time to settle into the meeting, this approach provides a valuable buffer to iron out any technical difficulties that may arise.

Rushing the AGM by moving too fast into the voting or Q&A sessions can lead to challenges that compromise the integrity of the meeting and risk non-compliance with the Companies Act.

⁵ Section 72 of the Companies Act has been amended by the Companies Amendment Act 16 of 2024 to require the social and ethics committee to present its report at the AGM. The amendment act has been signed into law by the President but is not yet in operation.



Question and answer session

Q&A session an integral component of the meeting

Section 61(8)(d) of the Companies Act provides that “any matters raised by shareholders, with or without advance notice to the company” is one of the items of business that must be transacted at an AGM. Questions from shareholders are therefore an integral component of the formal business of an AGM.

CIPC Guideline 1 of 2024 provides that companies should allow for “matters to be raised for consideration as an item of business of the AGM”.

Contrary to the approach of the chairs of many companies at AGMs that Just Share has attended, voting is not the only “formal” part of the meeting. The Q&A session is as important and should not be treated by the Chair as an afterthought or a favour granted to shareholders.

Failure to conduct the Q&A session meaningfully and transparently is a key source of shareholder frustration at AGMs and can result in significant loss of trust in the commitment of the board and executive team to ensuring transparency and accountability.

Options available for shareholder questions

Electronic AGM service providers offer the functionality of both written questions via a message box and verbal questions either via voice integration or a dial-in facility. Some also offer video integration. To align with the guidance in CIPC Guideline 1 of 2024, the company should enable all these functionalities to ensure that shareholders asking questions remotely are able to do so in a manner that is as close as possible to in-person attendance.

Clear instructions for asking questions electronically must be provided in the Notice of AGM as well as at the start of the Q&A session. The company secretary should confirm the order in which questions will be taken (e.g., questions from shareholders attending in-person first, followed by dial-in or verbal questions, and then written questions entered via the message box).

All questions should be dealt with before voting takes place

It is unnecessary to separate Q&A sessions into two parts, one for questions related to shareholder resolutions and one for “general” questions. It is often not easy to distinguish to which category a particular question relates, and this approach creates a disjointed AGM.

All questions should be asked and answered before voting takes place. This gives shareholders the opportunity to make informed voting decisions.

Effective participation

Section 63(2)(b) of the Companies Act permits companies to hold AGMs via electronic communication, “as long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting”.

In April 2023, the CIPC published a legal opinion on the interpretation of section 63(2) of the Companies Act.⁶ Referring to Just Share’s 2020 Guide, *Best Practices for South African Virtual Annual General Meetings*,⁷ the CIPC’s legal opinion states:

AGMs provide essential opportunities for shareholders to interrogate company decision-making and hold boards to account. While virtual AGMs are a viable alternative to having face-to-face meetings in a global economy, the virtual format increases the risk of infringement of shareholder rights.

Infringement of shareholder rights as a particular concern in virtual AGMs, was raised in relation to the ability of shareholders to ask questions of the board of directors and to engage “in real time” with the board and with each other. Decisions cannot be made and consensus cannot be reached if shareholders cannot interact effectively and efficiently.

Should a company hold virtual-only AGMs and these meetings do not allow shareholders to ask questions in “real-time”, without an intermediary, or requires all questions to be submitted in advance, that meeting will not constitute an AGM for the purposes of the Companies Act, 71 of 2008.

6 <https://www.cipc.co.za/wp-content/uploads/2023/04/NON-BINDING-LEGAL-OPINION-AGMs.pdf>

7 <https://justshare.org.za/wp-content/uploads/2020/05/Just-Share-Virtual-AGM-Guide.pdf>

In order to ensure compliance with this requirement, it is essential that

- The functionality for both written and verbal questions is enabled, giving shareholders a choice of format to ask their questions.
- If a question is submitted in writing via the message box, the company secretary must ensure that the question is read out slowly, clearly and in full. Paraphrasing or summarising written questions risks non-compliance with the Companies Act.
- All participants attending electronically must be able to see all questions submitted via the message box, and the name of the questioner. Questions should remain visible throughout the Q&A session, and not be deleted from the message box once they have been read out.
- Questions in the message box should be read out in the order that they have been submitted. Reading the most recently submitted questions first is unfair and risks missing questions submitted at the start of the Q&A session. This is especially so if there are shareholders who are submitting many written questions in response to comments from the board or management team; and/or if shareholders are asking a series of questions that follow on from each other; and/or if space limitations in the message box mean that questions must be broken down into parts and sent separately.
- Questions on the same or similar topics should not be grouped together and answered as a block. Doing so risks infringing the rights of each shareholder who is entitled to engage with the board and executives on an individual basis about the question s/he has asked.
- After a question has been answered, the questioner should be given an opportunity to respond. The Q&A session is an important opportunity for engagement, which includes follow-up questions and comments on the response received. If the question has been submitted via the message box, the Chair should be cognisant of the fact that it can take a few minutes for a written response to appear on the platform.
- If a shareholder directs a question to a particular board subcommittee chairperson, that person must answer the question. It should not be answered by the Chair or deflected to a member of the executive team.
- For questions asked verbally, the Chair should be cognisant of the fact that the dial-in option and some voice integration options place the questioner on hold while they are waiting to ask their question. This means that they miss some of the proceedings while in the queue and can be unaware of the fact that they have been asked to speak.
- When a member of the board or executive team answers a question, s/he should be audible and visible to all those attending electronically.
- When a question is asked by a shareholder attending in person, that shareholder should be audible and visible to all those attending electronically.

Voice integration

Companies deserved some leeway during the initial Covid-19 lockdowns, when pandemic restrictions complicated their ability to meet statutory obligations and corporate governance requirements.

Early virtual AGM platforms had limited functionality, particularly for Q&A sessions. Shareholders could only submit written questions via a message box, as voice integration was not yet standard functionality.

Today voice integration is readily available from all online AGM platform service providers. Whether or not it is activated, however, depends on whether the company has chosen to enable it.

Companies must acknowledge that enabling verbal participation is fundamental to shareholder rights and good corporate governance: shareholders are entitled to direct verbal engagement with the board during AGMs. There should be no AGMs held by South African companies at which verbal participation is not possible.



Voting on shareholder resolutions

Once voting has taken place and the results are ready to be announced, the company should ensure that voting results can be seen by those attending in person and electronically. The results should also be read out by the Chair.

Post-AGM

The company should provide shareholders with a link to a recording of the AGM as soon as reasonably possible after the meeting. This link should be available on the company's website.

The company should publish the minutes of the AGM on its website as soon as possible after the AGM. The minutes should include an accurate and complete account of questions asked by shareholders, and the answers provided by the board and executive team.

AGM minutes

AGM minutes serve as the official record of shareholder-board engagement, documenting crucial discussions on financial, governance, and sustainability matters. King IV explicitly recommends that listed companies make AGM minutes publicly available, reflecting the principles of transparency and good corporate governance established in the Companies Act.

Many companies do not do so, and it is remarkable that the minutes of many AGMs fail to record any information about the Q&A session.

Companies should publish comprehensive minutes on their websites, and these minutes should fully document questions asked by shareholders, management responses and any commitments made or future disclosure promised.

Restricting access to minutes only to shareholders does not align with the public availability of other disclosures. Furthermore, while it is good practice to provide a link to a video recording of the AGM on the company's website, this should not be seen as a substitute for disclosure of written minutes.

AGM minutes should be considered an integral part of corporate reporting, alongside annual financial statements, integrated reports, and the notice of AGM. Their public availability is fundamental to maintaining transparency and accountability.

Appendix

The regulatory landscape governing annual general meetings in South Africa

The South African regulatory instruments that govern annual general meetings (AGMs) and provide guidance on best practice are the Companies Act No. 71 of 2008 (the Companies Act), the King Report on Corporate Governance (King IV), and the Companies and Intellectual Property Commission's Guideline 1 of 2024, "Guideline for annual general meetings conducted electronically".

Companies Act No. 71 of 2008

The reforms introduced in the Companies Act included among their objectives to "protect shareholder rights, advance shareholder activism, and provide enhanced protections for minority shareholders".⁸

These objectives are reflected in section 7.

7. Purposes of Act

The purposes of this Act are to:

- (a) promote compliance with the Bill of Rights as provided for in the Constitution, in the application of company law;
- (b) promote the development of the South African economy by—
 - ...
 - (iii) encouraging transparency and high standards of corporate governance as appropriate, given the significant role of enterprises within the social and economic life of the nation;
 - ...
- (d) reaffirm the concept of the company as a means of achieving economic and social benefits;
- ...
- (i) balance the rights and obligations of shareholders and directors within companies;
- (j) encourage the efficient and responsible management of companies;
- ...

Part F of Chapter 2 of the Companies Act, *Governance of companies*, deals with shareholder meetings. These provisions set out the legal requirements for a public company AGM and include the rights of shareholders to:

- Receive the Notice of AGM timeously;
- Nominate proxies;
- Attend company AGMs;
- Have key documents presented and hear specific committee reports;
- Vote on resolutions;
- Propose shareholder resolutions;
- Engage with and ask questions of company boards and management at AGMs; and
- Hear the concerns raised by other shareholders in their engagement with the company during the AGM.

8 Explanatory Memorandum to the Companies Bill [B 61D-2008] para 1.2.4(c).



Section 61: Shareholders meetings

Section 61(7) of the Companies Act provides that a public company “must convene an annual general meeting of its shareholders” no more than 18 months after its date of incorporation, and thereafter, once in every calendar year, but no more than 15 months after the date of the previous annual general meeting.⁹

The section goes on to provide:

- (8) A meeting convened in terms of subsection (7) must, at a minimum, provide for the following business to be transacted:
 - (a) Presentation of—
 - (i) the directors’ report;
 - (ii) audited financial statements for the immediately preceding financial year; and
 - (iii) an audit committee report;
 - (iv) a social and ethics committee report; and
 - (v) a remuneration report;
 - (b) election of directors, to the extent required by this Act or the company’s Memorandum of Incorporation;
 - (c) appointment of—
 - (i) an auditor for the ensuing financial year; and
 - (ii) an audit committee; and
 - (d) any matters raised by shareholders, with or without advance notice to the company.

Section 61(9)(a) and (b) provide respectively that unless its Memorandum of Incorporation provides otherwise, “the board of the company may decide on the location for any shareholders’ meeting of the company”, and that “a shareholders meeting of the company may be held in the Republic or in any foreign country”.

Section 61(10) states that “every shareholders meeting of a public company must be reasonably accessible within the Republic for electronic participation by shareholders in the manner contemplated in section 63(2), irrespective of whether the meeting is held in the Republic or elsewhere”.

Section 62: Notice of meetings

Section 62 deals with the timing and contents of notices of shareholder meetings and provides as follows:

The company must deliver a notice of each shareholders meeting in the prescribed manner and form to all of the shareholders of the company as of the record date for the meeting, at least—

- (a) 15 business days before the meeting is to begin, in the case of a public company or a nonprofit company that has voting members; or
- (b) 10 business days before the meeting is to begin, in any other case.
- (2) A company’s Memorandum of Incorporation may provide for longer or shorter minimum notice periods than required by subsection (1).
- (2A) A company may call a meeting with less notice than required by subsection (1) or by its Memorandum of Incorporation, but such a meeting may proceed only if every person who is entitled to exercise voting rights in respect of any item on the meeting agenda—
 - (a) is present at the meeting; and
 - (b) votes to waive the required minimum notice of the meeting.

9 The Companies Act of 2008, section 61(7)(a) and (b)

- (3) A notice of a shareholders meeting must be in writing, and must include—
- (a) the date, time and place for the meeting, and the record date for the meeting;
 - (b) the general purpose of the meeting, and any specific purpose contemplated in section 61(3)(a), if applicable;
 - (c) a copy of any proposed resolution of which the company has received notice, and which is to be considered at the meeting, and a notice of the percentage of voting rights that will be required for that resolution to be adopted;
 - (d) in the case of an annual general meeting of a company—
 - (i) the financial statements to be presented or a summarised form thereof; and
 - (ii) directions for obtaining a copy of the complete annual financial statements for the preceding financial year; and
 - (e) a reasonably prominent statement that—
 - (i) a shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the shareholder, or two or more proxies if the Memorandum of Incorporation of the company so permits;
 - (ii) a proxy need not also be a shareholder of the company; and
 - (iii) section 63(1) requires that meeting participants provide satisfactory identification.





Section 63: Conduct of meetings

Section 63 deals with the identification of persons permitted to attend or participate in a shareholders meeting, manner of voting, and “electronic participation”.

Before any person may attend or participate in a shareholders meeting—

- (a) that person must present reasonably satisfactory identification; and
 - (b) the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified.
- (2) Unless prohibited by its Memorandum of Incorporation, a company may provide for—
- (a) a shareholders meeting to be conducted entirely by electronic communication; or
 - (b) one or more shareholders, or proxies for shareholders, to participate by electronic communication in all or part of a shareholders meeting that is being held in person,

as long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting.

- (3) If a company provides for participation in a meeting by electronic communication, as contemplated in subsection (2)—
- (a) the notice of that meeting must inform shareholders of the availability of that form of participation, and provide any necessary information to enable shareholders or their proxies to access the available medium or means of electronic communication; and
 - (b) access to the medium or means of electronic communication is at the expense of the shareholder or proxy, except to the extent that the company determines otherwise.
- (4) At a meeting of shareholders, voting may either be by show of hands, or by polling.

Companies Regulations, 2011: social and ethics committee report to shareholders

Regulation 43(5)(c) of the Companies Regulations, 2011 requires the social and ethics committee “to report, through one of its members, to the shareholders at the company’s annual general meeting on the matters within its mandate”.

Section 72 of the Companies Act has also been amended by the Companies Amendment Act No. 16 of 2024 to require the social and ethics committee to present its report at the AGM. The amendment act has been signed into law by the President but is not yet in operation.

Companies and Intellectual Property Commission Guideline 1 of 2024

On 31 October 2024, the Companies and Intellectual Property Commission published a Guideline for annual general meetings conducted electronically.¹⁰ The guideline provides the market with clarity on crucial issues related to the conduct of hybrid and electronic-only AGMs.

Guideline for annual general meetings conducted electronically

This Guideline is issued in terms of Regulation 4 of the Companies Regulations 2011 and aims to give guidance on Annual General Meetings conducted electronically.

Section 61(7) of the Companies Act No. 71 of 2008 (as amended) states that: A public company must convene an annual general meeting of its shareholders: (a) initially, no more than 18 months after the company's date of incorporation; and (b) thereafter, once in every calendar year, but no more than 15 months after the date of the previous annual general meeting, or within an extended time allowed by the Companies Tribunal, on good cause shown.

Section 61(10) states that: Every shareholders meeting of a public company must be reasonably accessible within the Republic for electronic participation by shareholders in the manner contemplated in section 63(2), irrespective of whether the meeting is held in the Republic or elsewhere.

Section 63(2) states that: Unless prohibited by its Memorandum of Incorporation, a company may provide for: (a) a shareholders meeting to be conducted entirely by electronic communication; or (b) one or more shareholders, or proxies for shareholders, to participate by electronic communication in all or part of a shareholders meeting that is being held in person, as long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting.

A company that chooses to conduct an AGM electronically should allow for:

1. Matters to be raised for consideration as an item of business of the AGM.
2. A combination of written, verbal, telephonic and video questions to ensure reasonably effective participation in the AGM.
3. An agenda to be provided at the start of the AGM, thus allowing shareholders to know when they will be called upon to ask questions.
4. Shareholders to be able to see and know who else is attending the AGM online and to be able to interact with each other without an intermediary.
5. All participating board and executive members to be visible in real time for the entire AGM, regardless of who is speaking.

¹⁰ <https://www.cipc.co.za/wp-content/uploads/2024/10/Guideline-1-of-2024-Electronic-AGMs-31-10-2024.pdf>



King Report on Corporate Governance

King IV “sets out the philosophy, principles, practices and outcomes which serve as the benchmark for good corporate governance in South Africa”.¹¹ King IV is organised around 17 key principles which are given effect through 208 recommended practices.

Principle 16 states that:

Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

The relevant recommended practices relating to AGMs include:

Shareholder relationships

(Applicable to companies only)

...

6. The board should oversee that the company encourages proactive engagement with shareholders, including engagement at the annual general meeting (AGM) of the company.
7. All directors should be available at the AGM to respond to shareholders’ queries on how the board executed its governance duties.
8. The board should ensure that the designated partner of the external audit firm attends the AGM.
9. The board should ensure that shareholders are equitably treated, and that the interests of minority shareholders are adequately protected.
10. The minutes of the AGMs of listed companies should be made publicly available.

¹¹ King IV, Introduction, p. 20.

Just Share

