

5 INNOVATIONS FOR FUTURE SHAREHOLDER MEETINGS

THE SHIFT FROM PHYSICAL TO VIRTUAL SHAREHOLDER MEETINGS (VSMs) was a forced experiment for many issuers, but it has created a global trend. Reuters reported that from January through July 2021, 40 percent of annual meetings globally were fully virtual, building on 27 percent during all of 2020 when pandemic restrictions were at their height.

Many shareholders welcome the ease of access and flexibility that comes with the virtual format, but some continue to have concerns. Complaints include a lack of meaningful participation during meetings, poor management or a lack of Q&As, and poor levels of responsiveness and transparency among some issuers.

Well-executed VSMs need not have any drawbacks. Consider the following innovations to aid you in executing a successful annual meeting.

1. Aim to Replicate the In-Person Experience

The latest VSM platforms offer diverse ways to reinvent physical meetings as digital events. Video-streaming your meeting to remote beneficial holders is just the start.

Mediant's platform can send alerts about proxy materials in advance of meetings, while prospectuses can be delivered via text, email or pushed to a broker's app. For the meeting itself, we fully digitize access — and the voting experience can enable shareholders to talk live with board members — and provide tools to make the meeting flow: digital presentation of proposals, polls that can be taken spontaneously, truly interactive Q&As. The more you lean in with the technology, the richer and more rewarding the experience.

2. Make the Most of Video Communications

The pandemic has helped many of us become more confident with video communications. Talking face-to-face improves the fidelity of one-to-one and group interaction, and helps to build trust.

You can increase your use of video in VSMs in several ways: board members can appear live on camera, pre-recorded sessions can be inserted into an otherwise live agenda, and Q&As can take place over video. If you use Mediant's VSM platform, you also have the option to create virtual video breakout rooms focused on individual questions.

3. Make a Plan for Hybrid Meetings

Assumptions that physical shareholder meetings would be restored after the pandemic has been overtaken by the trend for VSMs. Some issuers have announced they will be sticking with virtual-only meetings. Others are exploring a hybrid approach.

Hybrid and virtual existed before the pandemic. Large issuers with a diversified shareholder base have for some years used technology to allow shareholders to view proceedings remotely and to cast votes electronically. Today, falling costs and

the increasing sophistication of VSM platforms means any issuer can plan a hybrid meeting.

With the pandemic still running, now may not be the time to suggest another change in meeting format. However, our expectation is that hybrid meetings will become increasingly popular and demanded by shareholders. Communicating plans for a hybrid future will reassure shareholders who prefer a physical format while allowing you time to develop the right approach for your organization.

4. Meet Shareholders Where They Are

More than 10 million people opened their first brokerage account in 2020, a record figure for a single year. This incoming cohort is much more diverse and has different expectations about what it means to interact with issuers.

The best way to engage is to meet shareholders where they are. Many new shareholders opened their account on a brokerage app, so consider making your proxy materials and voting available via brokerage apps.

It's not just younger and newer shareholders that will appreciate a more flexible approach. People

with busy lives may not be able to attend your shareholder meeting, even if it's virtual, but they will appreciate flexible options for voting. Mediant can provide this in brokerage apps, using email or text message, and even via Amazon Alexa.

5. Push for Common Standards

Compliance and the shareholder experience will improve if the proxy voting industry can harmonize on APIs and proxy plumbing. The industry is capable of effective collaboration in shareholders' interests when motivated to do so. However, other than the Digital Legal Proxy, which enables easier and more secure identification of shareholders, progress has been slow.

The securities industry End-to-End Vote Confirmation Working Group is pushing for common standards to be adopted. This would be in the interests of industry stakeholders, including issuers, due to efficiencies and cost savings that would result. Unfortunately, not all stakeholders are on board. Issuers have an influential role to play in supporting the recommendations of the working group.

Mediant delivers investor communications solutions to banks, brokers, corporate issuers and funds. Our solutions are driven by leading technology and strict compliance with industry regulations, which allows clients to balance innovation with requirements. We enable banks and brokers to effectively manage all potential touchpoints within the investor communications lifecycle — from proxy statements and prospectuses to voluntary corporate actions. We provide corporate issuers with turnkey proxy processing, and we empower mutual funds, REITs and insurance companies with a full-service, end-to-end proxy solution.

For more information, visit www.mediantinc.com