

# Go beyond best practices

Strategies to make your next virtual  
shareholder meeting exceed the  
expectations of all stakeholders.





## Introduction

Recently, the Center for Corporate Law and Governance at Rutgers University Law School released its Report of the 2020 Multi-Stakeholder Working Group on Practices for Virtual Shareholder Meetings. This comprehensive annual study is produced in partnership with the Society of Corporate Governance and the Council of Institutional Investors.

The purpose of the report is to “outline expectations, as well as evolving practices” for implementing virtual shareholder meetings (VSMs). Although worth reading in its entirety, the report is 30+ pages in length. So, to save you some time this eBook summarizes the main principles that emerged from the report and explains how you can put those best practices into practice.

Ultimately, Broadridge want its clients to go beyond best practices and set new standards for transparency, engagement, and participation. We'll show you how.

**Let's get started.**

### INSIDE YOU'LL FIND BEST PRACTICES SURROUNDING THESE KEY AREAS OF FOCUS:

1. Disclosure
2. Meeting preparation
3. Tech support
4. Event proceedings
5. Post-meeting circulation KPI-based dashboards

# 1 DISCLOSURE

## Help investors navigate the experience



### PROVIDE CLEAR INSTRUCTIONS

Successful VSMs maximize shareholder participation. And that starts with “clear and comprehensive instructions in proxy statements and related disclosure on how shareholders can participate.”<sup>1</sup> In addition, you should provide instructions in “plain English” and make the instructions easy to access and view.



### EXPLAIN HOW SHAREHOLDERS CAN SUBMIT QUESTIONS

Although not required by law, most companies invite shareholders to ask questions before and during the event. Explain your policies around eligibility, Q&A format, allotted time, limitations and how you plan to respond. The goal is to level-set expectations so that everyone is on the same page.



### DESCRIBE WHY YOUR COMPANY HAS CHOSEN A VSM

Last year, more than 2000 corporate issuers executed successful virtual shareholder meetings (VSMs). Most investors understand the virtual format and appreciate the merits. Nevertheless, you should still explain why you’ve chosen a virtual meeting and how it improves transparency, access, and convenience.

### CHOOSE SIMPLICITY

As the leader in proxy disclosure and investor communication, we manage nearly all proxies for beneficial shareholders across the industry. That matters for VSMs because we assign a unique control number to each shareholder to use on a unified VSM login page. This process helps create a seamless experience for all shareholders, including beneficial, registered, and institutional.

Be confident that all your attendees will enjoy the same, simple process for registration, validation, voting and question submission.

### BOTTOM LINE:

A simplified VSM login and registration process translates into simplified disclosures with clear instructions.

<sup>1</sup> Report of the 2020 Multi-Stakeholder Working Group on Practices for Virtual Shareholder Meetings. (Hereafter “The 2020 Report”)

## 2 PREPARATION

# Anticipate challenges and set yourself up for success



### CONDUCT COMPANY TRAINING AND REHEARSALS

As with any live event, it's a good idea to give your team an opportunity to prepare. Among other things, you should "ensure adequate training on the VSM platform for board members, company representatives, and contractors."<sup>2</sup> Consider coordinating a dry run so everyone knows what to expect.



### COORDINATE WITH SHAREHOLDER PROPONENTS

Your VSM should let shareholder proponents "formally present their proposals [and] be heard clearly."<sup>3</sup> To that end, proponents should have access to a dedicated phone or video connection to use during the event. Consider also offering proponents the option to provide a pre-recorded statement in lieu of virtual attendance.



### INCLUDE VIDEO AS WELL AS AUDIO

Although most VSMs are audio-only, more issuers are moving to incorporate video as well. Video helps put a face to your organization and can create an atmosphere more like an in-person event. If you choose to include video, try to make sure all presenters have the same background to create a sense of polish and uniformity.

### RELY ON OUR EXPERIENCE AND EXPERTISE

Broadridge pioneered VSMs in 2009. Since that time, we've helped issuers execute more than 3,500 successful events. And we'll put that experience to work for you.

During the planning process we assign a VSM specialist to help you plan, strategize and mobilize your team. Our specialists provide hands-on training and support to ensure you know exactly how to use the technology and feel comfortable in advance of the event. We'll also help you facilitate a dress rehearsal with your executive team to make sure they're ready too.

Most importantly, our experience managing thousands of VSMs gives us unique perspective into best practices and ways to solve common challenges. If you need help prepping for video, or coordinating with proponents, we'll show you examples of video use and communications that we believe worked especially well for others.

### BOTTOM LINE:

**With Broadridge it's not just about innovative technology. You also get more than a decade of hands-on expertise to ensure you implement best practices with total confidence.**

<sup>2</sup> The 2020 Report

<sup>3</sup> The 2020 Report

# 3 SUPPORT

## Don't let tech interrupt the experience



### MAKE IT EASY FOR ATTENDEES TO TEST AND TROUBLESHOOT

VSMs provide much greater access for retail investors who typically don't participate in shareholder meetings. So, expect a learning curve, not just for the VSM technology, but also for the meeting experience itself. Give prospective attendees plenty of time to get acquainted with the platform and learn available functions and options.



### ENABLE ATTENDEES TO CONTACT A LIVE OPERATOR FOR SUPPORT

Any good technology service should include live call or chat to help users get assistance. Not everyone is technologically savvy, so having that backup available is a good way to ensure everyone can enjoy access to the VSM.



### PRIORITIZE ACCESSIBILITY

Inclusivity matters. To that end, some issuers provide closed captioning or include a certified sign-language interpreter. Other issuers provide real-time translations into multiple languages, either via closed captioning or through a dedicated audio feed.

### AT BROADRIDGE, BEST PRACTICES COME STANDARD

Technical problems can lead to needless disruption. That's why we work tirelessly to ensure our VSM platform includes several redundancies and backups. Unless their internet goes out at home, shareholders should never miss a thing.

Prior to the meeting, we invite attendees to run various browser tests, so they can optimize the experience. In addition, there is a technical assistance line with a meeting-specific 800 number, so shareholders can get the fastest possible support.

### BOTTOM LINE:

The Broadridge platform just works—for everyone.



# 4 PROCEEDINGS

## Ensure a smooth event



### SIMPLIFY THE VOTING PROCESS

Voting is a fundamental right for shareholders. So, your VSM provider should have the resources and experience to facilitate voting in the simplest, most reliable way possible. The voting mechanism should be prominently visible and accessible through the main page. In addition, your provider must be able to maintain “the integrity of ... the votes cast at the meeting,”<sup>4</sup> which includes the ability to inspect and certify the election.



### STREAMLINE ACCESS TO POSTED CONTENT

Shareholders can't make informed decisions if they can't find the critical information they need. That's why it's so important to make available “downloadable copies of the meeting agenda, rules of order and all proxy materials on the main VSM page.”<sup>5</sup>



### FACILITATE A Q&A SIMILAR TO LIVE EVENTS

Beyond proxy voting, Q&A is one of the only other available means by which shareholders can express their voice. Allow ample time for Q&A. And, of course, don't forget to respond to questions that shareholders submit before the meeting. Pre-meeting questions are a great way to take the pulse of your shareholders and provide time for the executive team to prepare a thoughtful response.

### GIVE USERS AN INTUITIVE EXPERIENCE

The unique control number assigned to each shareholder is not only useful for registration and login, but also in-meeting activity. Now, all authenticated shareholders—beneficial and registered—can vote their shares directly from the main screen. There's no need to open a new tab or window.

This simplicity also extends to vote processing. Because we likely already manage proxy voting for your beneficial shareholders, votes cast during the meeting itself will be seamlessly incorporated into the larger vote certification process.

In addition, all shareholders can submit questions in advance of the meeting at proxyvote.com —the same site used for proxy voting. During the meeting, there's a clearly visible box for attendees to ask questions in real time. In fact, they can access everything they need, including documents and disclosures, directly from the main screen.

### BOTTOM LINE:

**Our simplified UX enables investors to fully participate while ensuring issuers maintain a reasonable level of control to execute an orderly event.**

<sup>4</sup> The 2020 Report

<sup>5</sup> The 2020 Report

# 5 POST MEETING

## Keep the conversation going



### POST A RECORDING OF THE EVENT

Many issuers already post recordings of quarterly earnings calls on their website. So, it's helpful to post a recording of the VSM proceedings as well. Not everyone can attend the live event. Plus, archived recordings help prospective investors learn more about your company.



### INCLUDE A TRANSCRIPT OF THE EVENT ON YOUR WEBSITE

Searchable transcripts can be helpful for journalists as well as investors.



### SHARE ANSWERS TO ALL QUESTIONS RECEIVED

Some issuers go above and beyond and take time to respond to all submitted questions. Then, they post these responses on their website. This shows that you're engaged and responsive to the concerns of all shareholders.

### WE MAKE IT EASY TO POST

As standard practice, we will host the meeting recording on your behalf for 12 months after the event. Or we'll share an Mp4 file that you can post directly on your website. Some clients have asked us to host replays indefinitely, while others prefer not to post recordings. It's entirely up to you.

### BOTTOM LINE:

We'll work with you to ensure complete access to VSM proceedings after the event.



# Virtual meetings that are intuitive and user-friendly? Gets our vote.

When it comes to corporate governance and your annual shareholder meeting, we're mindful of the pressures you face. Technology shouldn't be one of them. Intuitively designed, with ease of navigation and enhanced functionality, our innovative Virtual Shareholder Meeting platform enables a meeting of minds, wherever you are.

**Great minds think aligned.**

### 2020 BY THE NUMBERS

1,957	virtual shareholder meetings were held on the Broadridge platform.
95%	of meetings allowed for live questions from shareholders.
98%	of the meetings were virtual only.

Broadridge, a global Fintech leader with over \$4.5 billion in revenues and part of the S&P 500® Index, provides communications, technology, data and intelligence. We help drive business transformation for our clients with solutions for enriching client engagement, navigating risk, optimizing efficiency and generating revenue growth.



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