



The Ultimate Guide To Hybrid AGM

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What is a Hybrid Meeting?

Annual meetings have traditionally been hosted in a physical location, to allow shareholders to directly engage with the Board, and ultimately hold them to account.

However, with the increasingly global diversity of the shareholder and membership base, legislation is slowly changing around the world, to allow for the possibility of remote attendees at a meeting, thereby creating a virtual element. This mix of in-room attendees and virtual attendees, are what constitutes a hybrid meeting.

Member based organizations, partnerships and charities are not restricted by existing legislation. At Lumi, we are working with a wide range of sectors and organizations that are already allowing for virtual attendees.

Hybrid Meeting vs Virtual Meeting

Hybrid Meeting - As touched upon already, this is a crossover between a physical and virtual meeting, which allows stakeholders, members or attendees to opt between attending at the meeting's physical location, or being involved online from the comfort of their own home, smartphone, tablet or office. This removes the need for everyone to be in one location, and opens up the possibility of higher attendance and engagement.

Virtual Meeting - This type of meeting is already well adopted in the United States in particular, as well as across many other countries and provinces. All the attendees of a virtual meeting attend via an online platform allowing them to ask questions, vote and participate electronically in real time, as they would do at a physical meeting.



Why are Hybrid Meetings becoming so Popular?

There are a number of factors that are affecting the rise of both hybrid and virtual meetings, although they differ from country to country. Here's a couple of the major overarching factors for the rise in popularity:

Technology - The majority of industries have seen dramatic changes to how they operate via technological advances or methods. In fact, the first virtual meeting was held in 2001 in the United States (Computershare, 2018), but hosting, or partly hosting annual meetings online has only come into the mainstream in the last 5 years or so.

Inclusivity - Making your meeting available to everyone who wants to attend without the constraints of travel or cost, and helps boost the customer centricity of your organization.



Why Hybrid Meetings are Important for Companies and Membership Organizations

There is a wealth of reasons why hybrid meetings are becoming so popular and encouraged, not just across the UK, but across many regions in the world, here's a few of them:

Anyone has the Ability to Attend

A traditional annual meeting requires their attendees to physically be at the location on the set day/s they are held, however this isn't always achievable for everyone who wants to attend and often leads to increased proxy voting. The meeting isn't just for the business or organization, it is a chance for all stakeholders or members to get involved and have their say.

Anyone Can Speak

The classic format of an annual meeting leans more towards the vocal members of a group and doesn't cater well for people who don't feel comfortable raising issues or questions in front of a large room of people, especially if the point is controversial.

Less Margin for Error

With some of the votes being automatically and electronically logged instantly there is much less margin for error, as opposed to the classic hand raise or ballot boxes of old.





Save Time

Having some (or even all) of the votes done electronically either in the building via audience response technology or using online voting tools for the remote attendees, it saves a vast amount of time and counts votes instantly.

Improve Engagement with Younger Demographics

Understanding and opting the technology heavy world we live in is vital to the success of your future meetings, not adapting and evolving your annual meeting is a sure fire way to decrease engagement and lower attendance or member retention (In the case of membership organizations).

Is Your Company or Membership Organization ready for a Hybrid Meeting?

The way we communicate has been becoming increasingly focused on digital, from social media, to SMS, emails and beyond. As the millennial generation becomes the largest demographic in the active workforce, we can only expect a higher adoption of, and reliance on digital methods.

This trend is significant, and impacts on how membership organizations and companies communicate with their member base or shareholders. When discussing meetings from the 2017 season, Computershare found that: “Across the board the biggest change this year is the proliferation of virtual-only or hybrid AGM.” (Computershare, 2017).

Hybrid meetings have become more and more popular over the last decade, from SMEs and smaller tech firms all the way up to multinational organizations.

But... how do you know if your company is ready for a hybrid meeting?

Factors to Consider When Thinking about Going Hybrid

In Equiniti’s latest review on AGM trends, one of the major themes for the previous few years has been ‘a continued interest in exploring hybrid AGM’ (Equiniti, 2017).

Adapt or Get Left Behind

As mentioned above, hybrid meetings are now commonplace amongst companies and membership organizations of all sizes, and the importance of staying with this development should not be overlooked. If you fail to adapt, you will be left behind, hosting outdated meetings and causing upset amongst your attendees and disappointment from those unable to participate remotely.

Age Range of Your Audience

As the global workforce changes, of course so do the methods and technologies along with it. With the growing number of millennials making up the majority of our workforces, it is time to embrace change and make your meetings engaging for all audiences. This is a large reason why Hybrid meetings have become more prevalent in recent years.

Inclusivity & Alienation

Similar to the above, hosting a hybrid meeting allows for everyone to get involved in your meeting, removing the barriers of travel and cost to the individual, allowing for the silent majority to be heard.

On the flip side of this, having a fully virtual meeting could alienate older generations and reduce their attendance, so to appeal to both demographics, hybrid meetings allow for everyone to be involved and comfortable.



Transparency

Hosting a hybrid meeting allows for a much more transparent event. For instance, your shareholders or members can see the voting outcome in real time, but this also means that your chair has a good idea of the results as they come in, allowing them to prepare their comments.

On a similar note, questions can be addressed and anyone may participate, either anonymously or by name. Creating this transparency can be both an advantage and a risk, but handled correctly it makes your audience much more trusting and engaged.

Reluctance to Embrace Change

As with any updates of technology there will always be a certain level of resistance. However with the industry changing, hybrid and even virtual meetings will become more and more common in the coming years; therefore a more organic rather than forced approach would be recommended. Change is your choice.

Engage a Wider Audience

With a hybrid meeting you open up your options to engage your audience, not everyone is passionate enough to attend an annual meeting or even vote if it's not convenient for them; removing barriers such as travel, as alluded to before, increases your engagement and can improve your attendance, both real and virtual.

If membership organizations and companies understand the advantages and mitigate potential risks of a hybrid meeting, there are clear opportunities to utilize and benefit from holding an annual meeting this way (ICSA, 2017).



So, is a Hybrid AGM Secure?

With a growing focus on hybrid meetings within the membership sector as a way to increase member engagement, and listed companies wanting to offer an electronic medium to their annual general meetings, the security of the method itself is put under analysis.

The importance of security for an annual meeting is paramount, not only due to the potentially sensitive nature of the discussions, but to ensure the robustness and accuracy of voting, and the right for all members and shareholders to have their say

So how secure can a hybrid meeting be?

Security of Hybrid Meeting Technology

Making sure your hybrid meeting is secure is of the utmost importance and the technology used at hybrid event is an area that has received a lot of attention.

Security is critical to a successful hybrid event and a meeting's integrity depends on both the certainty and security of the identification of shareholders/members and access to this secure list, to ensure these virtual participants are who they claim to be.

Take for example, our patented Lumi technology; it is a certified platform (Via AWS) and regularly PEN tested by third parties (leading financial institutions and government bodies) and has been independently proven to be accurate and secure.

Regardless of the medium, be that physical, hybrid or virtual, our unique technology uses a secure, encrypted network. The network is monitored by our team throughout the event and creates a clean network that is maintained from start to finish.

Furthermore, a hybrid meeting is instantly audited, everything is recorded, giving a complete objective record of the meeting, pinpointing exactly what each member did, including abstentions.

Data Security of Hybrid Technology

Data security is of the utmost importance, therefore our Hybrid Technology uses modern, industry standard encryption techniques to ensure data protection. Thus allowing for the safety of all personal data used and stored for the meetings.

Corporate Governance of Hybrid Meetings

With the introduction of hybrid meetings the corporate governance case in terms of security, transparency and accuracy is incredibly strong, meaning companies don't have to rely on outdated methods such as paper ballots or a show of hands.

Having a more trackable and transparent voting process with instant results collated on screen, creates a seamless voting audit trail and attendees are confident their vote has been counted. Because the votes are calculated instantly it allows more time to discuss the core issues and areas of contention.

By creating this transparent environment, the Hybrid Technology improves attendee trust in the organization and by demonstrating clear and strong governance, attendees are much more likely to stay involved in the future.

Hybrid meetings also need to take into consideration the allocation of proxy votes, making sure the elected proxy have all the proper confirmation to represent their electee, another system Lumi has in place.



Conclusion

To conclude, if membership organizations and companies understand the advantages and mitigate potential risks of hybrid meetings, there are clear opportunities to utilize and benefit from holding a hybrid annual meeting.

At Lumi we are committed to helping membership organizations and companies improve their meetings with our technology, expertise and facilitation; as an industry leader we have helped countless clients host successful, secure and smooth hybrid meetings.

If you are interested in holding a hybrid or virtual annual meeting for your organization we'd love to hear from you, contact our team or visit our website www.lumiglobal.com to find out more.



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