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BLINK AND IT'S GONE TMC's FIRST AGM IS A SHAM

Civil Society organisations denounce the lack of accountability and transparency at the first Annual General Meeting (AGM) of The Metals Company (TMC), which took place yesterday 31st May as a virtual meeting.

TMC boasted that the virtual format, allegedly chosen because of COVID19 concerns, would “enhance, rather than constrain, shareholder access, participation, and communication.” [\[1\]](#) In reality, the company rattled through a truncated agenda without a single outside intervention. The whole meeting was over in less than 15 minutes.

Andy Whitmore, Deep Sea Mining Campaign (DSMC) Finance Advocacy Officer comments, "It is incredible that this is a highly controversial company working in a controversial industry, not least one that is subject to questions over whether it has the cash to survive."

"The only voices heard were the key officers of the company and even though there was no video, the meeting was closed soon after it started by a 'show of hands'."

The format allegedly encouraged questions, which would only have been answered after any voting took place. Company shareholders who were retail investors could not ask questions in advance, but there were attempts to use a chat function to raise 2 major questions:

- one on behalf of the Civil Society Forum of Tonga, stressing concerns that the recent [Environmental Impact Statement](#) for a proposed deep sea mining test by TMC's Nauruan subsidiary lacked meaningful participation and transparency, and;
- one on how TMC will deal with the substantial risks, laid out in the annual report [\[2\]](#), including that their final plan of work may not be approved by the International Seabed Authority.

The questions were noted but were not answered. People were encouraged to email the company for a response. This, despite the fact that there were only these two questions to deal with.

Pelenatita Kara, Deep Sea Mining National Campaign Manager, Civil Society Forum of Tonga, said, “We want to know what guarantees there will be that we can have a meaningful voice in any similar exercises affecting us; particularly that we will have enough time and if necessary outside expertise to allow us, as key stakeholders, to evaluate the information submitted.”

Dr. Catherine Coumans, MiningWatch Canada added, “TMC's first Environmental Impact Statement (EIS) for a test run of its deep sea mining system has been deemed not fit-for-purpose by a wide range of [stakeholders](#), including [MiningWatch Canada](#) and the [UK Government](#). Its revised version was provided to stakeholders just one day before the second and final public event on the EIS.”

"This fundamental lack of interest in the views of committed rights and stakeholders who demand the highest level of transparency and protection for the common heritage of humankind is telling of the kind of company TMC is, and deeply concerning given the long-lasting harm this company is set to cause to the seabed foundation of life in the ocean."

Two other issues which weren't raised because of the truncated meeting, but need answering are:

- on the current financial position of TMC, given estimates that they will run out of money faster than they are claiming. Despite a [predicted market capitalisation of US\\$2.9 billion](#), it now hovers [around US\\$350 million](#). At [current rates](#) of spending, with no new finance, we believe TMC will run out of money before the end of this year, well before mining could ever happen, and;
- how TMC will deal with the potential costs from ongoing litigation, either in the form of damages against the company, or as a result of its inability to recover promised investments. [\[3\]](#)

The AGM coincided with the launch of a [new critical website](#) that exposes TMC's claims of being custodians of a metals commons, as opposed to simply another profit-seeking extractive industry company. The [financial section of the site](#) stresses the speculative nature of TMC's business plan.

Mr. Whitmore concluded, "The meeting was a travesty. It was reminiscent of the (non)meeting for the merger that created TMC last September. At that meeting – which was also over in less than 15 minutes - shareholders could ask questions in the chatbox, but would not receive a reply until long after any voting took place."

"Where is the transparency?"

"TMC does its best to hide from legitimate scrutiny, and yet public accounting rules mean they still have to publish the significant list of risks involved with their venture in the annual report. Those risks should be enough to discourage any sensible investor for the sake of their wallet, but - more importantly - for the sake of the oceans."

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https://www.cstproxy.com/metals/2022/proxy/images/The_Metals_Company-Proxy2022.pdf, p.3
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