



Company	Amcil Group Limited
Code	AMH
Meeting	AGM
Date	8 October 2020
Venue	Virtual Meeting - Lumi Platform
Monitor	Frank Thompson/Mike Robey

Number attendees at meeting	Virtual - unknown
Number of holdings represented by ASA	18
Value of proxies	\$1.36m
Number of shares represented by ASA	1,392,288 (0.50% of register) (1,311,943open)
Market capitalisation	\$273m
Were proxies voted?	Yes, all motions supported
Pre AGM-Meeting?	No

Amcil – Investing for Safety, Growth and Returns

Amcil is a Listed Investment Company (LIC) managing stocks in quality listed Australian large and small companies. It targets attractive returns through medium- and long-term growth, and the generation of fully franked dividends. Options are written against some of its investments, and it has a small trading portfolio to generate additional income.

All meeting resolutions were easily carried on a poll. All ASA Proxies were voted in favour. The remuneration report received a 7.98% vote against.

The meeting was conducted on the Lumi platform without video. Voting was online with questions taken by both telephone and online entry. It was well conducted with ample time for questions. The chair did seem a little uncomfortable with the virtual meeting and expressed his strong preference to meet shareholders "face to face". All questions were fully presented and addressed. A disappointment was the lack of video cover. As you could not see the chair or speakers the meeting was a little stilted and disconnected from shareholders.

The chair announced his retirement just prior to the conclusion of the meeting.

The ASA put 2 questions:

1. AMCIL seem to have a large board which contributes to an MER at the top end of the range for LICs. Additionally, 4 directors have more than 12 years tenure which exceeds the ASA guidelines for tenure to maintain independence. Finally, it lacks in diversity in a number of areas including female participation – only 1 female, 12% of the board compared to 31.6% for the ASX200 companies.

Are there plans to address these issues, please provide an outline?

2. There is no detail in the annual report detailing remuneration to Executives, in particular the Managing Director. All expenses in this area are included in the Admin Fee paid to Australian Investment Company Services Limited (AICS). This makes it impossible to do a reasonable analysis, or comparison with other organisations. In effect limiting the effectiveness of, and scope of, the remuneration report.

Are there plans in place address this lack of information in next year's report?

Both were responded to:

1. The Chairman strongly rebuffed all points raised in this question. On the size of the board he felt it was far more important to recruit suitable people when they were available. Regarding length of tenure he discounted the ASA guidelines stating it was far more important to maintain "corporate memory". On diversity he felt the existing board was suitably diverse and whilst conceding that it lacked in female representation, that female recruitment had been tried in the past, but females did not stay.
2. The question on remuneration reporting was accepted with an undertaking that the report would be reviewed for next year.

Points from the meeting:

- NPAT decreased by 14.3% to \$6.0m in FY2020, largely due to companies reducing dividends due to Covid.
- Market value of investments increased by 6.9% to \$269.6m despite general market contraction due to Covid.
- Investors to expect a reduced dividend for the foreseeable future, accurate forecasts are impossible due to Covid
- Considered that current investments in both mix and quality are in good shape for the future.