



Australian Foundation Investment Company 2022 AGM report

ASX code	AFI
Meeting date	4 October 2022
Type of meeting	Hybrid
Monitor	Jason Cole assisted by Dennis Shore and Frank Thompson
Pre AGM-meeting	Yes – with John Paterson (Chair), Mark Freeman (Managing Director), Andrew Porter (Chief Financial Officer / Company Secretary)

Meeting Statistics

Number of holdings represented by ASA	561
Number of shares represented by ASA	10,313,222
Value of shares represented by ASA	\$75.7m
Total number attending meeting	130 (approx.) + 40 online
Market capitalisation	\$9.06 billion
ASA open proxies voted	On a poll. ASA voted in favour of all the resolutions

Attendance was less than normal at AFI's first physical AGM since 2019. Each of the three resolutions were carried with over 90% of votes in favour. The remuneration report received an against vote of 9.17%, the same as the previous year. Since polling was introduced in 2019, the average vote against the remuneration report has been 10.2%.

As in previous years, AFI gave a [presentation](#) outlining their thoughts on the market and provided some reasons as to why the portfolio had underperformed the benchmark ASX 200 Accumulation Index over the preceding 12 months.

Several questions from shareholders related to the portfolio or individual stocks within it. Recent commentary regarding possible changes to franked dividends funded by capital raisings also prompted questions. Whilst AFI shareholders are unlikely to be affected by the mooted changes, the company stated it was strongly supportive of the system that currently exists.

ASA asked questions regarding the higher than usual amount of taxable capital gains used to fund the final dividend and whether AFI will publish a skills matrix in tabular form so that shareholders can more easily identify any skills gaps within the board.

In relation to proposed changes to the executive incentive scheme, ASA asked what protections will be in place to ensure that it is aligned with shareholder reward should total gross shareholder return not be used a performance measure. The answer given was consistent with that provided at ASA's meeting with company representatives prior to the AGM and this is discussed in more detail in the 2022 voting intentions available on the ASA website.

A replay of the AGM can be accessed from the AFI website [AFIC | AGM - Listen Again](#).

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