



Company	InvoCare Limited
Code	IVC
Meeting	AGM
Date	14 May 2019
Venue	Tower One International Towers Waterman's Quay Barangaroo Sydney
Monitor	Roger Ashley assisted by Pamela Murray-Jones

Number attendees at meeting	35 shareholders and proxy holders plus 45 visitors
Number of holdings represented by ASA	145
Value of proxies	\$14.5m
Number of shares represented by ASA	0.99m (equivalent to 11th largest holder)
Market capitalisation	\$1.7bn
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Directors Richard Davis and Robyn Stubbs

Investment in transition strategies continues

No attendee at this meeting could complain that they were not given enough detail on the operations, culture and strategy of the company, nor that questions from the floor were treated with anything other than proper responses. In addition to the [presentations by the Chairman and CEO](#), the Chair of the Remuneration Committee addressed the meeting on the tenets of the remuneration report and incentive schemes including the introduction of a deferred component of the short term incentive scheme in 2020 which will bring the company's remuneration policies closer to the ASA's position. This change could result in a favourable ASA vote next year.

The company experienced its first major hiccup in profit growth since listing in 2018 as a consequence of a lower death rate, disruption from the refurbishment of facilities and a mark down in the value of assets held for prepaid funerals. It is not expected that the setback is indicative of an ongoing trend and the results for the first quarter 2019 are positive although the CEO was not willing to make any forecasts for the full year due to the unpredictability of the death rate over winter, a key driver of revenue.

The key growth strategies are facility upgrades to meet contemporary preferences that treat funerals as a celebration of life and seeking to acquire businesses in regional Australia and New Zealand favoured by retirees. Both of these strategies require significant investment funds which have been bolstered by additional lines of credit and a recent capital raising. The debt level led to an expression of concern from the floor and a response that debt levels were being closely monitored. The ASA asked whether there were opportunities to expand outside the current geographical areas and was told that, as a major global player in the industry, opportunities were on offer for evaluation but the focus is on current strategies.

The issue of tendering for audit services was pre-empted by a statement that it would not be appropriate in a time of transition (PwC having an input in the reasoning) and other questions included sustainability (the response: a need for better reporting) and ongoing maintenance of cemeteries that are full (the response: they still support the other facilities located there and new cremation memorials are ongoing).

All resolutions passed with a minimum 93.8% in favour.