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23 July 2008

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Dear Tim

Rethinking the AGM discussion paper

Grant Thornton Australia Limited (Grant Thornton) appreciates the opportunity to comment on the Discussion paper 'Rethinking the AGM'.

Grant Thornton's response reflects our position as auditors and business advisers both to listed companies and privately held companies and businesses.

Grant Thornton in principle supports the Proposals for reform contained in the Discussion Paper which we believe will assist in revitalising the AGM and enable shareholders to engage in real dialogue with directors who have been entrusted by the shareholders to manage the company. Our comments on the particular Issues raised in the Appendix to the Discussion Paper are attached.

If you require any further information or comment, please contact me.

Yours sincerely
GRANT THORNTON AUSTRALIA LIMITED

A handwritten signature in black ink that reads "Keith Reilly". The signature is stylized and cursive.

Keith Reilly
National Head of Professional Standards

APPENDIX to Grant Thornton Submission on Rethinking the AGM

- 1 Should the deliberative function of the AGM be separated from the decision-making function? How do you believe this would improve shareholder engagement and participation at general meetings?

We support any moves that will improve shareholder and directors engagement and participation, and the proposal to separate decisions making from the deliberative function of the AGM would seem to be worth considering. At present the formality of the AGM inhibits shareholder engagement, so decoupling the more formal matters that need to be covered at the AGM and allowing sufficient time for structuring an interactive dialogue with Directors, would be worth pursuing.

- 2 If you agree that decoupling the discussion from the formal voting is reform that would improve shareholder engagement and participation in general meetings, do you believe that the polls should stay open for 48 hours, or one week or two weeks after the close of the meeting? Why do you believe that one of these periods is more suitable than another?

We have an open mind on the length of time that could be allowed for the finalizing of polls. A 2 week period would seem reasonable if the company was able to provide any needed further information and a summary of the discussions at the AGM. We also believe that consideration needs to be given to the role that the auditors play in the AGM process and any need for the auditors and directors to monitor the final results of polling where it has audit implications.

- 3 Should the decoupling of the deliberative function from the decision-making function be mandated via amendment to the Corporations Act or should it be a recommendation in the ASX Corporate Governance Council guidelines against which listed companies must report? Please provide your reasons for recommending one option or the other.

Given that this reform is novel, we would support a more informal process via the ASX Corporate Governance Council to trial just how successful the reforms are, and that would allow fine tuning of the proposals. However in due course we would support mandating via the Corporations Act for Listed Companies. We would leave the non-listed market to determine the appropriateness of the reforms.

- 4 Should there be a requirement on chairmen to announce proxies received prior to discussion on each resolution if voting is extended beyond the close of the meeting? Why do you believe such a requirement should or should not apply?

We support transparency in poll counting and therefore believe that the Chairman should disclose proxies received and their voting intentions.

- 5 If voting is decoupled from deliberation, should there be an expectation that the meeting be webcast, and maintained on the website for all investors to look at until voting closes? Should webcasting be encouraged rather than mandated, given that the

cost of investment in webcasting may be prohibitive for smaller companies? Please give your reasons for your recommendation.

We support the use of technology both from a cost and efficiency perspective, and web casting should be encouraged but not mandated. Transcripts of the discussions should also be made available on the company website.

- 6 Should a specified minimum time be required for discussion on each resolution at the AGM if the discussion is separated from the voting? If you think that a minimum time should be mandated, what is the appropriate time? Please provide your reasons why a specified minimum time would improve shareholder engagement. If you do not think that a specified minimum time should be mandated, please provide your reasons.

We support having suggested time limits imposed on each of the resolutions just to ensure the efficient running of the Meeting, however we acknowledge that it should be up to the Chair of the meeting to determine when those time limits should be extended.

- 7 Should the statutory period for holding the AGM be extended by one month, to provide a three-month window instead of the current two-month window? Please clarify how you think this would improve shareholder engagement if you support an extension of time, and how you think it would undermine shareholder engagement if you do not support an extension of time.

We have supported an extension of the current statutory time periods for both finalising Financial Reports and the subsequent holding of the AGM given the clustering of June balance dates. In addition allowing an extra month to hold the AGM or 2 extra months of the smaller listed companies would lead to greater involvement of both shareholders and directors.

- 8 Is the one-size-fits-all approach to AGMs suitable for all public companies? Please provide your reasons why you believe the one approach should be taken for all public companies, or why you believe different approaches are required.

A one-size-fits all approach is not always suitable for the varying sizes of public companies however using the ASX Corporate Governance structure of reporting if not adopted does overcome most of the concerns of a one-size-fits-all approach.

- 9 Should all directors be encouraged to sit on the dais? Should committee chairmen be encouraged to present the report of their respective committees, and also take questions on the committee report as appropriate? Why do you believe this practice should be encouraged? Alternatively, why do you believe it should not be encouraged?

We support having all Directors being available for questions and having the ability to comment. It makes sense for Committee Chairs to be in a position to report on and answer questions on the activities of their committees, in a similar manner to the role that the Chair has for the overall Board issues.

- 10 Should directors standing for re-election answer relevant questions from shareholders? How do you think this would facilitate shareholder engagement? How do you think it would work against improving communication between shareholders and directors?

We support allowing directors to explain their capabilities for re-election again on an 'if-not then why not' disclosure via the ASX Corporate Governance principles.