

From: Duncan Ramsay
To: Judith Fox
Subject: Shareholder primacy - is there a need for change?
Sent: Sun 14/12/2014

Judith

hopefully I can still make a late submission.

first, I thought the discussion paper was a great contribution on the topic.

secondly, I prefer option 2 to clarify the law - compare option 1. I agree in particular with the UK Hampel Committee's comments in column 2 on page 10 of the paper that in summary shareholders primacy is the best yardstick in terms of accountability. For listed public companies, such accountability is vital, especially given the large and increasing amounts of compulsory and self-managed superannuation money invested in them.

Option 2 also has flexibility as the factors to consider vary between companies and from time to time within companies - option 3 is too restrictive.

Option 2 leaves directors to concentrate on the company environment - wider social issues per option 4 are for government and politicians who are part of the democratic process through elections and the media which are well suited to such issues. As the paper notes, special laws (e.g. work health and safety) can be passed on such issues to apply to companies and others as appropriate.

I am happy to expand on the above if desired.

For the record, this submission represents my own views and not those of any past, current or future employer.

Regards

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