

Inquiry into shareholder engagement and participation

TERMS OF REFERENCE

The Committee is to inquire and report on the engagement and participation of shareholders in the corporate governance of the companies in which they are part-owners, with particular reference to:

1. barriers to the effective engagement of all shareholders in the governance of companies;
2. whether institutional shareholders are adequately engaged, or able to participate, in the relevant corporate affairs of the companies they invest in;
3. best practice in corporate governance mechanisms, including:
 - a) preselection and nomination of director candidates;
 - b) advertising of elections and providing information concerning director candidates, including direct interaction with institutional shareholders;
 - c) presentation of ballot papers;
 - d) voting arrangements (eg. direct, proxy); and
 - e) conduct of Annual General Meetings.
4. the effectiveness of existing mechanisms for communicating and getting feedback from shareholders;
5. the particular needs of shareholders who may have limited knowledge of corporate and financial matters; and
6. the need for any legislative or regulatory change.