

CPA Australia Ltd  
ABN 64 008 392 452  
Level 20, 28 Freshwater Place  
Southbank VIC 3006 Australia  
GPO Box 2820 Melbourne  
VIC 3001 Australia  
T 1300 737 373  
Outside Aust +613 9606 9677  
cpaaustralia.com.au

16 July 2024

Meetings and Documents review  
Better Business Communications Unit  
Market Conduct and Digital Division  
Treasury  
Langton Cres  
Parkes ACT 2600

By Email: [meetingsanddocumentsreview@treasury.gov.au](mailto:meetingsanddocumentsreview@treasury.gov.au)

### **Statutory Review of the Meetings and Documents Amendments – consultation**

As one of the largest professional accounting bodies in the world, CPA Australia represents the diverse interests of more than 173,000 members working in over 100 jurisdictions and regions around the world. CPA Australia has over 30,000 members in public practice in Australia, serving our communities as trusted advisers who provide business advisory, tax, financial planning, reporting, auditing/assurance and insolvency-related services. Our members primarily support the small and medium sized market, and their structures and regulatory requirements are generally similar to those of the larger firms.

Further to our submission of 30 October 2020, CPA Australia continues to support the amendments to the Corporations Act 2001 (the Act) to permit the use of digital technologies to facilitate both the conduct of meetings and the execution of documents required under the Act. This was a sensible step in modernising the Act.

To the questions raised in this current consultation, Attachment A sets out the feedback we have received from our members who are living the impacts of these changes.

If you have any queries please contact Neville Birthisel, Advisor - Regulation and Standards, at

[REDACTED]

Yours sincerely

[REDACTED]

Ram Subramanian CPA

Interim Head of Policy and Advocacy



## Attachment A: Consultation Questions

### Consultation questions on meetings

**1. How has the experience of running company or registered scheme members' meetings changed since the amendments?**

It is our members' experience that there has been a significant increase in the number of virtual and hybrid meetings in Australia.

**- What have been the effects of the amendments on the costs of holding AGMs or other meetings?**

Our members have found that the cost of attending AGMs and other meetings is less with the ability to attend virtually. Attending virtually is convenient for members with increased numbers choosing this option since the amendments. Costs for holding AGMs since the amendments now factor in the costs of technology to enable webcasting and virtual attendance and participation.

**2. How have the amendments affected members' participation in meetings and has this affected the exercise of shareholder rights or corporate governance?**

Some of our members have noted that participation has increased without an impact on rights or governance.

**3. If improvements are needed to better facilitate members' participation and corporate governance, what improvements could be made to the conduct of online or hybrid meetings?**

Some of our members have noted that continued improvement in sound technology would assist with the smooth running of the meetings.

**4. Is the use of wholly online meetings an objective of companies and registered schemes? Why or why not?**

Conducting meetings wholly online or in a hybrid model is generally more convenient for the attendees and therefore should be an objective of most companies. However, this will depend on the specific circumstances of each company, noting that currently the Constitution of a Company must specifically allow wholly virtual meetings for this option to be available.

**If it is the objective, what is impeding the greater use of wholly online meetings by companies and registered schemes?**

Our members noted that fewer attendees physically at meetings may mean less scrutiny. This may act as an incentive for some companies to retain the physical and hybrid meeting formats (i.e. a disincentive for those companies to switch to wholly online meetings).

**5. Have you experienced technological issues when running or attending a meeting with an online component? If yes, what were they, were they addressed, and how did this occur?**

Some of our members have raised a concern that poor video and audio quality can be a discouraging factor. There will always be a risk of members experiencing a technology failure which may prevent them from participating in an AGM or meeting as well as a failure of technology at the meeting venue itself or in the supporting technology providers, needing companies to be conscious of allowing time for an adjournment for re- holding a meeting within statutory times should this be necessary.

**6. Have you observed any significant differences in governance, shareholder participation, meeting conduct or quality between companies that have listed after the 2022 amendments and those that listed prior to the amendments?**

No significant differences in governance, shareholder participation, meeting conduct or quality have been observed by our members.

**7. How have the mandatory poll voting requirements affected the conduct of meetings and determining the opinion of members?**

Members have not experienced any effect on the conduct of meetings. Poll voting when used has worked successfully.

**8. Have there been any issues with submitting or complying with requests for independent reports on polls?**

Our members have not experienced any issues, noting no requests have been made to CPA Australia.

**9. Are there lessons that Australia could take from other jurisdictions' experiences with online or hybrid members' meetings?**

Nothing to suggest by way of lessons to take up.

**10. How have the amendments affected the effective operation of directors' meetings?**

Our members have not experienced any significant impacts on the effective operation of directors' meetings.

**Consultation questions on the treatment of documents**

**11. What, if any, issues have been experienced with the giving and sending or receipt of electronic meeting-related documents? How could these be addressed?**

Members have not raised any significant issues with the giving and sending or receipt of electronic meeting-related documents. From a company perspective it would assist in cost savings and is also environmentally friendly to enable receipt of documents by email as a default rather than by physical receipt.

**12. What, if any, issues have there been with the process for making elections or with entities following the elections of members regarding meeting-related documents? If yes, how could this be improved?**

Even if members do not make an election which ultimately enables partially electronic receipt of material, costs are still incurred in the preparation and postage of shorter material e.g., by way of a postcard. If members can by default receive their material by email or be directed by email to a company link for the material (unless they opt to receive a physical copy) that would save preparation and postage costs and environmentally be more sustainable.

**13. What, if any, issues have been experienced with the electronic signing of documents? If yes, how could these be improved?**

Members have not raised any significant issues experienced with the electronic signing of documents.