



Australian Government

Government response to the Statutory Review of the Meetings and Documents Amendments

4 February 2025

© Commonwealth of Australia 2025

ISBN: 978-1-923278-10-3

This publication is available for your use under a [Creative Commons Attribution 4.0 International](https://creativecommons.org/licenses/by/4.0/legalcode) licence, with the exception of the Commonwealth Coat of Arms, the Australian Government logo, photographs, images, third party materials, materials protected by a trademark, signatures and where otherwise stated. The full licence terms are available from creativecommons.org/licenses/by/4.0/legalcode.



Use of Commonwealth of Australia material under a [Creative Commons Attribution 4.0 International](https://creativecommons.org/licenses/by/4.0/legalcode) licence requires you to attribute the work (but not in any way that suggests that the Commonwealth of Australia endorses you or your use of the work).

Commonwealth of Australia material used ‘as supplied’

Provided you have not modified or transformed Commonwealth of Australia material in any way including, for example, by changing the Commonwealth of Australia text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Commonwealth of Australia statistics – then the Commonwealth of Australia prefers the following attribution:

Source: The Commonwealth of Australia.

Derivative material

If you have modified or transformed Commonwealth of Australia material, or derived new material from those of the Commonwealth of Australia in any way, then the Commonwealth of Australia prefers the following attribution:

Based on Commonwealth of Australia data.

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the Department of the Prime Minister and Cabinet website (see www.pmc.gov.au/government/commonwealth-coat-arms).

Other uses

Enquiries regarding this licence and any other use of this document are welcome at:

Manager
Media Unit
The Treasury
Langton Crescent
Parkes ACT 2600
Email: media@treasury.gov.au

Contents

- Minister’s Foreword1**
- Background2**
- Company Meetings4**
 - Recommendation 1: listed entities4
 - Recommendation 2: non-listed entities.....5
 - Recommendation 3: increased guidance6
 - Recommendation 4: future review of meetings laws.....7
 - Recommendation 5: mandatory polls.....8
 - Recommendation 6: independent reports on polls.....8
- Treatment of documents9**
 - Recommendation 7: electronic distribution of meeting-related materials9
 - Recommendation 8: meeting-related materials of not-for-profit entities9
 - Recommendation 9: electronic signing and execution10
 - Recommendation 10: corporate agents10
 - Recommendation 11: future review of electronic signing and execution11

Minister's Foreword

I am pleased to release the Government's response to the final report of the independent Statutory Review of the Meetings and Documents Amendments. The review assessed the effectiveness of amendments made in 2021 and 2022 to provide for a technology-neutral approach to company meetings, and to the electronic communication, signing and execution of documents.

I thank the members of the Panel who conducted the review – the Hon Robert Austin AM, as Chair, and Ms Helen Bird and Ms Judith Fox – for the considered report provided to the Government.

The Government is committed to ensuring the framework of corporate governance in Australia is robust. Strong corporate governance supports the efficient and effective operation of Australian companies and capital markets. Both members' and companies' interests need to be balanced – members need to be able to fairly exercise their rights while companies need to be able to efficiently make decisions.

The 2021 and 2022 amendments provided for a technology-neutral approach to company meetings and have increased flexibility for members and companies. The ability to attend and participate in a meeting from many locations has opened opportunities, particularly for those in remote locations or those who have accessibility issues.

The Panel's review also highlighted concerns that companies could use wholly virtual meetings to avoid scrutiny or diminish members' rights. The Panel found that Australia's businesses and investors are still transitioning to the use of wholly virtual meetings and accordingly, there remains some scepticism amongst investors about how some businesses have adopted virtual meetings. This concern is not shared equally across the corporate landscape and the Panel has suggested ways to improve outcomes while maintaining the balance of interests.

I am pleased to note the Panel's findings that the other aspects of the amendments to allow greater electronic communication, signing and execution of documents are largely operating effectively. The Government remains committed to addressing legacy barriers to the use of technology in our laws.

Finally, I also wish to extend my thanks to those who participated in the Panel's consultation process.



The Hon Stephen Jones MP

Assistant Treasurer and Minister for Financial Services

Background

During the COVID-19 pandemic, temporary changes were made in 2020 to allow companies and registered schemes to hold meetings and execute documents in a more flexible manner to facilitate the continuation of business and mitigate the economic impact.¹

The temporary changes were progressively made permanent, with legislative changes made in 2021 and 2022 to the *Corporations Act 2001* (Corporations Act) allowing:

- electronic signing and execution of company documents
- electronic distribution of meeting-related documents for companies, registered schemes and disclosing entities
- companies and registered schemes to hold hybrid meetings (including annual general meetings), and wholly virtual meetings where expressly required or permitted by their constitution.²

The amendments made by the 2021 Act and the 2022 Act were required to be reviewed, with the amendments regarding virtual meetings requiring review by an independent panel of experts with experience in corporate governance and the role of company directors, representing the interests of shareholders and advocating for corporate social responsibility (subsections 1687J(1) and 1687J(2A) of the Corporations Act).

The Government appointed an independent panel to conduct the review in June 2024 in accordance with the Terms of Reference. The Terms of Reference are available on the Treasury website.³ The panel consisted of:

- The Hon Dr Robert Austin AM – a barrister practising in areas such as commercial and corporations law, with significant corporate governance experience. Dr Austin is a former Judge of the New South Wales Supreme Court and has written extensively on corporate law and governance.
- Ms Helen Bird – a senior lecturer at Swinburne University of Technology. She has a history of corporate social governance advocacy and is a regular commentator on corporate law, governance and corporate social responsibility.

1 *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* and *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020*.

2 Legislative changes were made in 2021 by Schedule 1 to the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (the 2021 Act) which legislated the flexible approach to the holding of meetings, and the electronic distribution, signing and execution of documents until 31 March 2022. Changes in 2022 by the *Corporations Amendment (Meetings and Documents) Act 2022* (the 2022 Act) legislated a permanent flexible approach.

3 <https://treasury.gov.au/review/statutory-review-meetings-and-documents-amendments/terms-reference>

- Ms Judith Fox – she is the CEO of the Stockbrokers and Investment Advisers Association and is experienced in representing the interests of shareholders. She was previously the CEO of the Australian Shareholders' Association.

The Panel provided its report to the Government on 14 August 2024. The Government tabled the report in Parliament on 9 September 2024.

The Government is required to respond to the report by the first sitting day following three months after the report is tabled in Parliament.

Company Meetings

Recommendation 1: listed entities

The Panel recommends to the Government that no legislative change be made in relation to the meeting formats available for listed public companies and listed registered schemes. That is, listed public companies and listed registered schemes should be allowed to hold a wholly virtual meeting only if this is permitted in their constitution.

Government response

The Government agrees to recommendation 1.

The Government is committed to maintaining high standards of corporate governance and behaviour. Maintaining these arrangements will support a broad range of meeting formats and ensure investors' ability to reasonably participate and vote in meetings of listed companies and registered schemes (listed entities). A listed entity's constitution will continue to reflect its members' wishes about the formats available to hold members' meetings. As these entities are widely-held, this is important to maintain corporate governance oversight and transparency.

Maintaining the arrangements will give time to listed entities and their members to become adept with virtual meeting technology and for listed entities to engage more with their members and communicate more clearly to manage concerns.

Recommendation 2: non-listed entities

The Panel recommends to the Government that other entities, such as proprietary companies, unlisted public companies, unlisted registered schemes, not-for-profits and companies limited by guarantee, should be permitted to determine the appropriate meeting format. For those companies, there should be no statutory requirement of constitutional permission before a wholly virtual meeting may be held.

Government response

The Government agrees to recommendation 2.

The Government supports reducing costs and increasing member participation for non-listed entities by allowing them to choose the meeting format that best suits their needs. Legislative change would allow non-listed entities (which are generally smaller and less-resourced, such as not-for-profits, and other entities not seeking capital on the public market) the flexibility to access wholly virtual meetings.

Recommendation 3: increased guidance

The Panel recommends to the Government that entities such as ASIC, Australian Securities Exchange (ASX) and other bodies which provide guidance on matters of corporate governance should consider publishing recommended standards to be adopted by listed public companies, to give members confidence that if they support a constitutional amendment to permit wholly virtual meetings, their company will not engage in practices that were the subject of complaints by some members in submissions to the Panel. This should give members some confidence that they can support a special resolution to permit wholly virtual meetings in their company without putting themselves at risk that their company's management will compromise their basic member rights. Standards should address matters such as using technology to replicate the in-person experience, how the chair engages with members in a virtual setting, how questions are taken and managed, how questions are displayed to members and whether the company will appoint an independent supervisor of the processes adopted by the company for voting and handling questions at members' meetings.

Government response

The Government agrees in principle to recommendation 3.

The Government supports relevant bodies providing increased guidance for listed entities (and others) on the conduct of members' meetings, particularly the conduct of wholly virtual meetings. The Government understands the Australian Securities and Investments Commission will review its existing guidance taking into account the Panel's findings. The Government encourages the Australian Securities and Investments Commission and other independent bodies including the Australian Securities Exchange, the Australian Institute of Company Directors and the Governance Institute of Australia, and any others, to develop and provide guidance consistent with their respective roles as a regulator, market operator or industry association. This increased guidance will promote greater confidence and provide clarity to entities and their members on the expected conduct and use of technology at members' meetings.

The Government agrees with the Panel that this guidance could assist with the transition noted by the Panel at recommendation 1 and provide greater assurance to members of listed entities.

Recommendation 4: future review of meetings laws

The Panel recommends to the Government that a review of the formats of AGMs and other members' meetings be undertaken in 5 years' time. This would provide opportunities to observe how the conduct of meetings has evolved during the transition and whether any significant issues have arisen. The future review could consider whether the present requirement of constitutional permission for a wholly virtual meeting remains appropriate. This would also allow time for:

- members to develop confidence that companies will hold meetings that enable them to participate and vote in the meeting
- companies to better investigate member experiences and develop mutually agreed ways to mediate those concerns and to demonstrate responsiveness that will reinforce trust by members and co-operation between members and management in the virtual meeting process
- technology to further improve and companies to gain a better understanding to allow companies to provide members with a more seamless real-time experience to participate and vote at meetings
- companies to better communicate with their members to manage expectations about the meeting format and ensure members can reasonably participate and vote in meetings.

Government response

The Government agrees to recommendation 4.

The Government acknowledges that there can be benefits from wholly virtual meetings through offering greater access to and participation in the meetings and reduced costs for entities. The Government encourages companies and registered schemes to engage with their membership on the benefits of such meetings, while working to address the concerns highlighted in the review and strengthen member experience and participation. The guidance recommended by the Panel (under recommendation 3) will go some way to establishing a clearer standard.

In agreeing to this recommendation, the Government is providing companies and registered schemes the time to make the case for change to their membership. It will also provide an opportunity to examine the effect of the changes introduced in response to recommendation 2 and whether the changes are working as intended.

Recommendation 5: mandatory polls

The Panel recommends to the Government that the laws requiring listed companies and registered schemes to vote on substantive resolutions via poll be maintained.

Government response

The Government agrees to recommendation 5.

Recommendation 6: independent reports on polls

The Panel recommends to the Government that the laws on independent reports on polls be maintained.

Government response

The Government agrees to recommendation 6.

Treatment of documents

Recommendation 7: electronic distribution of meeting-related materials

The Panel recommends to the Government that the laws concerning electronic distribution of meeting-related materials be maintained.

Government response

The Government agrees to recommendation 7.

The Government supports continued efforts towards technology neutrality. The Government encourages listed entities to be clearer in their communications with their membership, including how members can elect to receive materials.

Recommendation 8: meeting-related materials of not-for-profit entities

The Panel recommends that the Government considers alignment of meeting-related document distribution requirements for not-for-profit entities with other not-for-profit document distribution requirements under the Corporations Act.

Government response

The Government agrees to recommendation 8.

The Government supports greater consistency in regulation and reducing costs and burdens for not-for-profit entities.

Recommendation 9: electronic signing and execution

The Panel recommends to the Government that the laws concerning electronic signing and execution of documents be maintained.

Government response

The Government agrees to recommendation 9.

Recommendation 10: corporate agents

The Panel recommends to the Government that there be an examination of whether the power to act for a company in relation to company documents should be extended to corporate entities.

Government response

The Government agrees to recommendation 10.

The Government will explore extending the power for corporate entities to be able to act for a company in relation to company documents. The Government notes there may be interactions between Commonwealth and state and territory laws that would need to be considered.

Recommendation 11: future review of electronic signing and execution

The Panel recommends to the Government that, due to the limited timeframe for operation of the amendments, their potential for misuse or facilitation of fraud should be examined in 5 years' time to ensure no significant issues have arisen.

Government response

The Government agrees to recommendation 11.

The Government will review whether the amendments provide for the potential for misuse or facilitation of fraud as recommended.