Dear Sirs,

Thankyou for the opportunity to submit some ideas.

1. Executive Remuneration should not be linked to share price

This motivates executives to be more concerned about market perceptions than sustainable performance. The focus is off the fundamentals, and on the 'spin'. There is also the risk of market manipulation.

- Action: ban market-linked remuneration.

2. Executive Remuneration should be linked to profit/growth

Executive pay should be base salary plus incentive bonus on company growth & profitability.

This is a more appropriate remuneration than share price-linked. There are risks, however, of executives pursuing short-term profit or growth at the expense of long-term sustainability.

- Actions: incentive bonus component to be weighted towards medium-to-long term profit & growth Key Performance Indicators.

- No more than, say, 30% of annual bonus to be based on 12 month time-frame KPIs.

- Longer-term bonuses to be held in escrow until 'vesting' period passes, even if executive has left the company.

3. Remove "Golden handshakes"

The Golden Handshake, as it currently stands, is an insurance policy for poor performance. It also supports executives making riskier decisions, as they as individuals will not suffer the consequences.

Executives are employees, and should be subject to the same termination payment rules as the rest of the staff. Any outstanding bonuses should be included, subject to vesting rules mentioned above.

- Action: termination payments only to include 1) vesting bonuses as mentioned above and 2) normal termination payments as per company policy for all staff.

4. Shareholder approval of Executive Remuneration

Where the base component is above a clip-level of, say, $500,000 p.a., the shareholders must approve in a binding vote.

The incentive bonus scheme can remain at board discretion (subject to laws proposed above), as this component of package is directly linked to shareholder returns.

5. Limited voting rights on remuneration

The difficulty in shareholders voting is that majority shareholders are likely to be other corporations or funds. And the problem with this is the perception of a self-interested ‘directors club’ of board members, fund managers, and executives past & present. “You vote for my pay rise and I’ll vote for yours”. This is an inherently conflicted plutocracy.

To redress this, voting should be aligned with the fundamental democratic notion of one-person, one-vote, and not one-share, one-vote. This allows “Mums and Dads” to have an equal say in remuneration, along with the institutional shareholders.

- Action: Remuneration voting to be counted on a per-shareholder basis, not on a per-share basis.

6. Institutional Voting declarations

If the previous proposal is not accepted, at least shine the light on the voting intentions of fund managers & institutional share holdings. Such disclosure will at least discourage the mutual self-interest of the director’s club.

The voting intentions of institutions should be made available to the public, or at least to their own shareholders, prior to and after AGMs and other voting occasions. Such declarations need not involve anything more than maintaining a voting intention register on a web-site.

- Action: Compel institutional investors to declare their voting intentions & actions, before and after votes are held.

Thanks & regards
Michael Vanderlaan