

15 December 2025

Attention: Andrew Campion
ASX Limited
39 Martin Place
Sydney NSW 2000
By email: ListingsPolicy@asx.com.au

Re: Shareholder approval of dilutive acquisitions and changes in admission status – Consultation Paper, October 2025

Dear Mr. Campion:

DFA Australia Limited (“Dimensional Australia”) appreciates the opportunity to respond to the Consultation Paper (the “Consultation Paper”)¹ issued by ASX Limited (“ASX”) on shareholder approval of dilutive acquisitions and changes in admission status.

Dimensional Australia is an investment manager holding an Australian Financial Services License and a subsidiary of US-based Dimensional Fund Advisors LP (together with Dimensional Australia and its global affiliates, “Dimensional”). Dimensional Australia was established in 1994 and began offering investment solutions to Australian investors with the launch of the first Dimensional Wholesale Trusts in 1999. Dimensional offers broadly diversified investment strategies designed for long-term investors, certain of which seek to provide broad exposure to Australian equities. As at 30 September 2025, Dimensional manages A\$1.4 trillion in commingled funds and separate accounts for investors around the world, with over A\$37 billion of our assets under management invested in Australian equities.

As an investment manager, Dimensional is committed to serving as a responsible steward of the assets entrusted to us, and we strive to protect and enhance shareholder value by advocating for stronger governance practices at the companies we invest in on behalf of our clients. We are thus supportive that ASX is considering changes to its Listing Rules that would expand shareholder approval requirements in certain circumstances. Specifically, we believe that shareholder approval should be required for (1) a change in admission status from a standard ASX Listing to an ASX Foreign Exempt Listing, (2) the voluntary delisting of a dual listed entity, if the dual listed entity is an ASX Listing, and (3) a listed entity to issue more than 15% of its share capital in connection with a takeover or merger.

1. Shareholder approval should be required for a change in admission status to ASX Foreign Exempt Listing.

Under ASX Listing Rules, a foreign entity with a primary listing on a foreign exchange may be admitted for trading on ASX as a standard ASX Listing or as an ASX Foreign Exempt Listing. Companies admitted as ASX Foreign Exempt Listings do not have to comply with most of the ASX Listing Rules. Currently, a foreign entity admitted as a standard ASX Listing can apply to become an ASX Foreign Exempt Listing, and such a change does not require shareholder approval under ASX Listing Rules.

If a company seeks to change its admission category from ASX Listing to ASX Foreign Exempt Listing, Dimensional supports requiring the company to obtain shareholder approval by special resolution, which requires approval of more than 75% of the votes cast. Companies that change their listing status to ASX Foreign Exempt Listing would no longer be required to comply with most ASX Listing Rules,

¹ ASX, *Shareholder Approval of Dilutive Acquisitions and Changes in Admission Status: Public Consultation on Shareholder Approval Requirements under the ASX Listing Rules* (20 Oct 2025), available at: <https://www.asx.com.au/content/dam/asx/about/regulations/public-consultations/2025/public-consultation-on-shareholder-approval-requirements-under-the-asx-listings-rules.pdf>

including those regarding continuous disclosure, security issuance and significant transactions, as well as the requirement to comply with the ASX Corporate Governance Principles and Recommendations. Because changing a foreign company's listing status from standard ASX Listing to ASX Foreign Exempt Listing could have a negative impact on the rights of shareholders of the ASX-listed securities, we believe that shareholders should be given the opportunity to vote on this change and that requiring approval by special resolution would appropriately protect shareholder interests.

2. Shareholder approval should be required for voluntary delisting of a dual listed entity, if the dual listed entity is an ASX Listing.

Currently, a dual listed entity can delist from ASX with ASX's consent. Generally, ASX has given consent to delist and has not required as a condition of its consent that a company obtain shareholder approval, as long as the company's shares will continue to be traded on another exchange. ASX has taken this position regardless of whether the dual listed entity is an ASX Listing or an ASX Foreign Exempt Listing.

Dimensional believes that ASX should require shareholder approval for a voluntary delisting by a dual listed entity, if the dual listed entity is an ASX Listing. Entities admitted as ASX Listings must comply with all of the ASX Listing Rules, including rules that affect shareholder rights. If an entity delists from ASX, shareholders would lose the shareholder protections afforded to them under ASX Listing Rules, and therefore should be entitled to vote on whether the company delists from ASX, even if the company's shares will continue to be traded elsewhere. Under current ASX Listing Rule 17.11, an entity's request to be removed from the Official List will usually require a special resolution passed by shareholders as a condition for removal. We believe the special resolution requirement should similarly apply in cases where the entity will continue to be listed on another exchange.

On the other hand, if a dual listed entity has always been an ASX Foreign Exempt Listing, or if the dual listed entity changed its admission status to ASX Foreign Exempt Listing after the change was approved by special resolution (which we believe should be required, as explained above in Section 1), shareholder approval for delisting from ASX should not be required. Under these scenarios, the rules of the primary exchange were known prior to listing on ASX or the change to ASX Foreign Exempt Listing has already been considered and approved by shareholders by special resolution.

3. Shareholder approval should be required for a listed entity to issue more than 15% of its share capital in connection with a takeover or merger.

ASX Listing Rules 7.1 and 7.2 limit the issuance of equity securities without shareholder approval to 15% of an entity's share capital over a 12-month period, unless an exception applies. Exceptions 6 and 7 under Listing Rule 7.2 allow a bidder to issue up to 100% new shares without shareholder approval, if such shares are issued in connection with a takeover or merger. As ASX notes in its Consultation Paper, these exceptions enable listed entities to make very dilutionary issues of securities without giving the shareholders who are having their holdings diluted the right to vote on whether this should be allowed to occur.²

We strongly encourage ASX to remove exceptions 6 and 7 under Listing Rule 7.2 altogether. This would mean that even in the case of a takeover or merger, shareholder approval would be required for a listed entity to issue more than 15% of its share capital. Removing these exceptions would be consistent with the rules of many other exchanges, which do not provide exceptions from standard

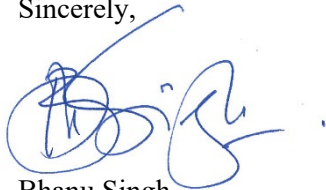
² Consultation Paper at 15.

issuance limits when new shares are issued in connection with a takeover or merger. While we generally believe that a company's board is the most appropriate body to determine the strategic direction of the company—including decisions to acquire a target company and the appropriate structure to fund such acquisitions—we also believe that shareholders should be given the right to vote if the issuance of shares will have a dilutive effect. For these reasons, we encourage ASX to remove exceptions 6 and 7 so that a shareholder vote would be required if new shares in excess of 15% are issued in connection with a takeover or merger.

* * *

Dimensional appreciates that ASX is considering changes to its Listing Rules to expand shareholder protections and thanks ASX for considering our comments and recommendations. If we could be of further assistance, please do not hesitate to contact Craig Wright, Portfolio Manager and Vice President, at (02) 8336 7100. We would be happy to make ourselves available for further discussion or to answer any questions concerning this submission.

Sincerely,



Bhanu Singh
CEO Dimensional Australia and Sr. Investment Director
DFA Australia Limited