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15 December 2025

ASX Limited
39 Martin Place
SYDNEY NSW 2000
PO Box H224
Australia Square NSW 1215

By email only: ListingsPolicy@asx.com.au

Attention: Andrew Campion

Dear Andrew

Public consultation on shareholder approval requirements under the ASX Listing Rules

The Property Council of Australia (the Property Council) welcomes the opportunity to comment on ASX's public consultation on proposals to amend shareholder approval requirements under the ASX Listing Rules.

The Property Council is the peak body for owners and investors in Australia's \$670 billion property industry. We represent owners, fund managers, superannuation trusts, developers, and investors across all four quadrants of property investments: debt, equity, public and private.

The property industry is the country's second largest employer, providing over 1.4 million jobs to Australians, representing a direct gross domestic product (GDP) contribution of \$232 billion, or 10.6 per cent of total GDP, as well as 18.2 per cent of total tax revenues totalling \$129.6 billion.

The Property Council has a strong interest in the efficiency and competitiveness of ASX as a platform for listed property companies, and in maintaining a regulatory framework that supports deep, liquid public markets alongside robust investor protections.

A "watch and wait" approach to proposed changes

The Property Council's position is that no substantive Listing Rule changes are warranted at this time in relation to:

- Shareholder approval thresholds for bidder share issues under Listing Rule 7.2 exceptions 6 and 7
- Shareholder approval for changes of admission category to ASX Foreign Exempt Listing
- Shareholder approval for voluntary delisting of dual-listed entities, or
- Any expansion of security holder approval requirements for significant changes in the nature or scale of activities under Chapter 11.

The Property Council recommends that ASX:

1. **Maintain the status quo** on these settings for now
2. **Monitor market developments**, including any further cases analogous to James Hardie/Azek, the effect of the waiver disclosure regime, and evolving institutional investor expectations, and
3. **Revisit these issues in a future, holistic review of the Listing Rules**, once more data and market evidence is available, and in the broader context of the work done by ASIC and ASX to enhance the attractiveness of public markets.

Reasons for our position

The Property Council's view is that there is limited evidence and recency bias regarding these proposals. The case for change is heavily anchored on a single high-profile transaction (James Hardie/Azek) and a small number of transactions over a five-year period. ASX's data says that 19 transactions would have been impacted over the period FY 21 to FY 25.

This is not, in our view, a sufficiently robust evidence base to justify altering rule settings that have underpinned market practice for decades.

Existing accountability mechanisms are functioning as intended. The James Hardie example is best understood as demonstrating that the current governance framework works – shareholders ultimately used their existing rights to express dissatisfaction and ultimately change the composition of the board at the following Annual General Meeting.

Australian directors remain subject to well-developed statutory and fiduciary duties, and significant regulatory oversight.

In addition, there is the risk of unintended consequences and higher execution risk. Lowering thresholds or adding new approval triggers would increase execution risk and costs for transactions that are value-accretive and broadly supported by investors, particularly in capital-intensive sectors like property.

For the property sector, major transactions already routinely face layered approvals from finance, the Foreign Investment Review Board (FIRB) and the Australian Competition and Consumer Commission (ACCC). Adding further uncertainty with bidder shareholder approval, or very broad "significant transaction" approvals, risks further lengthening timetables, increasing costs and reducing Australia's global competitiveness in global mergers and acquisitions.

ASX rightly recognises and is cautious about changing long-standing rules given the risk of unintended consequences on listed entities' regulatory burden and the competitiveness of the ASX, particularly at a time of heightened competition from private markets.

The Property Council holds concern that the cumulative effect of incremental rule changes may further push activity into private vehicles and offshore platforms, to the detriment of Australian public market depth.

The Property Council welcomes the opportunity to discuss this submission in more detail. Please contact Dan Rubenach, Policy Manager at drubenach@propertycouncil.com.au to arrange a meeting.

Yours sincerely

A handwritten signature in black ink, appearing to be 'T. Brown', written over a light blue horizontal line.

Torie Brown

Executive Director – Capital Markets
Property Council of Australia